Any major innovations by Canadian banks in the U.S. market must await changes to the Glass-Steagall Act. What has been assured is national treatment in the U.S. market for Canadian financial institutions.

3.7.2 Interview Opinions -

There may be some effects on ownership of financial institutions. Develop a list of what is happening and note whether the changes that occur deviate from the rules applicable to other foreign financial entities.

3.7.3 Data Support Systems -

The Office of the Superintendent of Financial Institutions is probably in the best position to monitor and report on any changes.

3.7.4 Recommended Indicators And Approaches -

A simple compilation of asset distribution by type of bank - Canadian, Schedule B (U.S.), and other Schedule B - would appear to be sufficient to determine if any major shifts are occurring. This can be done annually, starting with the year 1989, and with some historical context provided. (This information should be available during the year 1990.)

Activities of Canadian financial institutions in the United States in securities transactions could be part of the same report.

If the U.S. market opens up, some monitoring of Canadian bank assets in the United States may be useful to size the additional activity created.