

PROVISIONS FOR APPOINTMENT AND DISMISSAL OF  
FOREIGN CENTRAL BANK GOVERNORS

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AUSTRALIA

The Governor of the Commonwealth Bank of Australia is designated by the Governor-General of Australia. He is one of the seven directors who are all appointed by the Governor-General. The stock of the bank is owned entirely by the Government.

BELGIUM

The National Bank of Belgium is privately owned. The Governor is appointed by the Crown for a five-year term and serves at the pleasure of the Crown. He is also a director of the bank.

CANADA

The first Governor of the Bank of Canada was appointed by the Governor-General in Council. Hereafter, the governors shall be appointed for a term of seven years by the directors of the bank, with the approval of the Governor-General in Council. The governors shall hold office for the aforesaid term during good behavior.

ENGLAND

The Bank of England is a privately owned corporation managed by its stockholders. The governor and the directors are elected annually at the general stockholders meeting.

FRANCE

While the Bank of France is privately owned, the Governor is appointed by the President of France on the proposal of the Finance Minister. The governor is not appointed for any definite term and the law does not specifically provide for his removal.

Apparently, the governor can be effectively replaced as was the case recently when Governor Moret was succeeded by Jean Tannery.

GERMANY.

The Reichsbank is privately owned. Recent amendments to the law gave the President of the Reich the right to select and remove the President of the Reichsbank, as well as the members of the managing board of the bank.

ITALY

The Bank of Italy is privately owned. The board of directors elects and dismisses the governor, two-thirds majority being required for election while only a simple majority is required for dismissal.

JAPAN

Although the shares of the Bank of Japan are owned privately, the Government controls all the operations of the bank. The governor is appointed by the Government for a term of five years and while the law does not specifically provide for prior removal, the Government, under its present set-up, could undoubtedly replace the governor at any time.

NETHERLANDS

The Netherlands Bank is privately owned. The president of the bank is appointed by the Crown for a term of seven years from nominations made by the Board of Management, and the Commissaries (which consist of not less than fifteen members elected for terms of five years by the shareholders from among their own number, for the purpose of supervising the management). The Crown may also dismiss the president of the bank upon the proposal of the management and the Commissaries.

SWEDEN

The President of the Riksbank is appointed by the King for a term of three years which may be renewed. The stock of the bank is entirely owned by the Government.

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