

Mark Carney: Canada's new polymer bank notes – celebrating Canada's achievements at the frontiers of innovation

Remarks by Mr Mark Carney, Governor of the Bank of Canada, at the presentation of new polymer bank notes, Bank of Canada, Ottawa, Ontario, 20 June 2011.

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I am very proud to represent the Bank at this historic unveiling of a new generation of bank notes.

Secure, durable and innovative, these new notes are at the frontier of bank note technology. They will set a benchmark worldwide and will help maintain the confidence Canadians already have in their currency.

Designing and issuing bank notes that you can trust is an important element of the Bank's mandate to promote the economic and financial welfare of our country.

This new series of bank notes combines innovative technology and Canadian ingenuity. They were developed by a team of physicists, chemists, engineers and other experts from the Bank of Canada and from across the bank note industry.

This work was borne out of necessity. Beginning in 2001, counterfeiting in Canada increased dramatically, to levels that were very high by Canadian and international standards. By 2004, counterfeiting was at a historic peak of 470 counterfeit notes detected per one million notes in circulation.

The Bank responded with an aggressive strategy to deter counterfeiting, which included training retailers to recognize genuine notes, working with law enforcement to catch and prosecute criminals, and improving the quality of those notes in circulation. We succeeded. Today there are only 35 counterfeit notes detected per million notes – a more than ten-fold reduction.

Of course, even one counterfeit note is one too many! That is why the Bank is continuing to work closely with our partners in law enforcement and that is why we are investing heavily in new technology to stay ahead of counterfeiting threats.

And we are. The polymer notes we are introducing today are unique. There is simply no other currency like it. These new notes combine transparency, holography and other sophisticated security elements.

These new bills are not only more secure; they are also more cost effective.

In addition, we have independently verified that the environmental footprint of polymer notes will be smaller than that of currency made from cotton-based bank note paper. The new bills will last at least 2.5 times longer than cotton-based bank note paper bills, and after being removed from circulation, for the first time in Canada, they will be recycled into other products.

Safer, cheaper, and greener: these new bank notes are a 21st century achievement in which all Canadians can take pride and place their confidence.

We have heard how these new bank notes will explore the frontiers of Canadian history and innovation, all while being at the frontier of bank note security. The product of leading-edge technology, these notes will be among the most secure in the world.

These polymer bills will last at least two-and-a half times longer than the current cotton-paper bills now in circulation, thereby costing less to produce and leaving a smaller ecological footprint: in every way, this is better money.

We will be phasing in these new bills, working closely with financial institutions and manufacturers of bank note equipment to ensure a smooth transition from cotton-paper to polymer.

There are many important partners in this process. We will be working with law enforcement agencies, as well as retailers.

Today, we unveil the new \$100 and \$50 notes so that Canadians can start to learn about the new features and appearances of each denomination.

Starting in November 2011, the \$100 bill will be available and the \$50 notes will follow in March 2012.

The \$20, \$10, and \$5 notes will be unveiled and issued by the end of 2013.

So after *telling* you about the new money, the time has come to *show* it to you.