

12.—Liabilities of Chartered Banks in the calendar years 1927-1930.

NOTE.—The statistics in this table are averages computed from the twelve monthly returns in each year.

Liabilities.	1927.	1928.	1929.	1930.
Liabilities to the Public—				
Notes in circulation.....	172,100,763	176,716,979	178,291,080	159,341,085
Balance due to Dominion Government after deducting advances for credits, pay lists, etc.....	45,418,748	42,219,976	77,815,312	47,706,626
Advances under the Finance Act.....	19,204,167	51,528,333	82,916,687	37,308,333
Balances due to Provincial Governments.....	25,578,744	21,846,611	24,536,732	28,036,339
Deposits by the public payable on demand in Canada.....	596,069,007	677,467,295	696,387,381	622,895,347
Deposits by the public payable after notice or on a fixed day in Canada.....	1,399,062,201	1,496,808,451	1,479,870,058	1,427,569,716
Deposits elsewhere than in Canada.....	349,008,560	372,452,532	418,138,374	390,403,559
Deposits made by and balances due to other banks in Canada.....	12,487,069	15,496,756	14,528,474	14,831,131
Due to banks and banking correspondents in the United Kingdom.....	6,723,874	13,449,698	25,693,879	11,539,556
Due to banks and banking correspondents elsewhere than in Canada and the United Kingdom.....	44,760,541	63,038,671	100,254,711	64,076,035
Bills payable.....	8,720,888	12,048,303	10,842,329	9,187,617
Acceptances under letters of credit.....	75,083,687	97,624,647	100,473,804	90,355,973
Liabilities not included under foregoing heads.....	4,111,464	4,243,913	5,754,347	6,278,946
Totals, Liabilities to the Public.....	2,758,324,713	3,044,742,165	3,215,503,098	2,909,530,263
Liabilities to Shareholders—				
Capital paid up.....	121,666,774	122,839,879	137,269,085	144,560,874
Amount of rest or reserve fund.....	130,320,897	134,087,485	150,636,682	160,639,246
Totals, Liabilities to Shareholders.....	251,987,671	256,927,364	287,905,767	305,200,120
Grand Totals, Liabilities.....	3,010,312,384	3,301,669,529	3,503,408,865	3,214,730,383

Deposits, Loans and Discounts.—As an index of the course of banking business, of the nature of many transactions undertaken and of the general security of bank assets, loans and discounts are of great value. They illustrate clearly the channels into which a large proportion of the potential earning power of the banks is directed, and, by providing a comparison between investments made in lending operations inside and outside of Canada, afford essential information regarding the conduct by a bank of one of its most important activities.

Bank deposits (the demand deposits being to a large extent the product of lending operations, by which credit is advanced on security followed by the deposit of the proceeds of a loan) are also of considerable importance, and, on account of their derivation, are one of the most valuable records of the volume of business done at any time. Actual deposits of cash (mainly deposits payable after notice or on a fixed day) are, of course, included with the amounts deposited after the granting of loans.

Tables 13 and 14, following, give the deposits and loans of Canadian chartered banks for the years 1926 to 1930.