

12.—Liabilities of Chartered Banks in the calendar years 1931-34.

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

| Liabilities. | 1931. | 1932. | 1933. | 1934. |
|---|----------------------|----------------------|----------------------|----------------------|
| | \$ | \$ | \$ | \$ |
| Liabilities to the Public— | | | | |
| Notes in circulation..... | 141,969,350 | 132,165,942 | 130,362,488 | 135,537,793 |
| Balances due to Dominion Government after deducting advances for credits, pay lists, etc..... | 48,978,777 | 55,598,660 | 38,766,203 | 35,059,418 |
| Advances under the Finance Act..... | 19,416,666 | 37,352,667 | 46,472,666 | 39,319,250 |
| Balances due to Provincial Governments.... | 24,372,336 | 26,151,681 | 23,229,169 | 30,773,142 |
| Deposits by the public payable on demand in Canada..... | 578,604,394 | 486,270,764 | 488,527,864 | 513,973,506 |
| Deposits by the public payable after notice or on a fixed day in Canada..... | 1,437,976,749 | 1,376,325,128 | 1,378,497,944 | 1,372,817,869 |
| Deposits elsewhere than in Canada..... | 332,902,489 | 312,293,297 | 307,820,359 | 321,984,001 |
| Deposits made by and balances due to other banks in Canada..... | 12,596,946 | 10,694,683 | 11,603,922 | 12,824,498 |
| Due to banks and banking correspondents in the United Kingdom..... | 5,301,868 | 5,131,001 | 5,468,789 | 5,651,794 |
| Due to banks and banking correspondents elsewhere than in Canada and the United Kingdom..... | 62,055,917 | 49,732,341 | 35,803,916 | 23,960,959 |
| Bills payable..... | 4,489,370 | 1,579,945 | 1,057,647 | 918,231 |
| Acceptances under letters of credit..... | 67,896,762 | 48,671,585 | 46,612,849 | 52,355,627 |
| Liabilities not included under foregoing heads..... | 4,992,595 | 4,182,095 | 3,710,444 | 3,544,346 |
| Totals, Liabilities to the Public..... | 2,741,554,219 | 2,546,149,789 | 2,517,934,260 | 2,548,720,434 |
| Liabilities to Shareholders— | | | | |
| Capital paid up..... | 144,674,853 | 144,500,000 | 144,500,000 | 144,916,667 |
| Amounts of rest or reserve funds..... | 162,075,000 | 162,000,000 | 157,250,000 | 132,604,166 |
| Totals, Liabilities to Shareholders..... | 306,749,853 | 306,500,000 | 301,750,000 | 277,520,833 |
| Grand Totals, Liabilities..... | 3,048,304,073 | 2,852,649,789 | 2,819,684,260 | 2,826,241,267 |

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.

Tables 13 and 14, following, give the deposits and loans of Canadian chartered banks for the years 1930 to 1934.