

## 12.—Liabilities of Chartered Banks in the calendar years 1932-35.

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

Liabilities.	1932.	1933.	1934.	1935.
	\$	\$	\$	\$
<b>Liabilities to the Public—</b>				
Notes in circulation.....	132,165,942	130,362,488	135,537,793	125,644,102
Deposits by, and balances due to Dominion Government.....	55,598,660	38,766,203	35,059,418	25,457,951
Advances under the Finance Act.....	37,352,667	46,472,666	39,319,250	5,836,417
Deposits by, and balances due to Provincial Governments.....	26,151,681	23,229,169	30,773,142	39,333,219
Deposits by the public payable on demand in Canada.....	486,270,764	488,527,864	513,973,506	568,615,373
Deposits by the public payable after notice or on a fixed day in Canada.....	1,376,325,128	1,378,497,944	1,372,817,869	1,445,281,247
Deposits elsewhere than in Canada.....	312,293,297	307,820,359	321,984,001	348,073,133
Deposits made by, and balances due to other banks in Canada.....	10,694,683	11,603,922	12,824,498	12,964,738
Due to banks and banking correspondents in the United Kingdom.....	5,131,001	5,468,789	5,651,794	9,826,826
Due to banks and banking correspondents elsewhere than in Canada and the United Kingdom.....	49,732,341	35,803,916	23,960,959	26,307,060
Bills payable.....	1,579,945	1,057,647	918,231	1,169,690
Letters of credit outstanding.....	48,671,585	46,612,849	52,355,627	55,037,693
Liabilities not included under foregoing heads.....	4,182,095	3,710,444	3,544,346	4,402,903
<b>Totals, Liabilities to the Public.....</b>	<b>2,546,149,789</b>	<b>2,517,934,260</b>	<b>2,548,720,434</b>	<b>2,667,950,352</b>
<b>Liabilities to Shareholders—</b>				
Capital paid up.....	144,500,000	144,500,000	144,916,667	145,500,000
Amounts of rest or reserve funds.....	162,000,000	157,250,000	132,604,166	132,750,000
<b>Totals, Liabilities to Shareholders.....</b>	<b>306,500,000</b>	<b>301,750,000</b>	<b>277,520,833</b>	<b>278,250,000</b>
<b>Grand Totals, Liabilities.....</b>	<b>2,852,649,789</b>	<b>2,819,684,260</b>	<b>2,826,241,267</b>	<b>2,946,200,352</b>

**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 1931 to 1935.