

**16.—Chartered Bank Earnings, Expenses and Changes in Shareholders' Equity,
Fiscal Years Ended in 1953-57**

NOTE.—In 1953-54 the financial years of seven banks ended on Oct. 31, two on Nov. 30 and two on Sept. 30; in 1955 the financial years of eight banks ended on Oct. 31, two on Nov. 30 and one on Sept. 30; in 1956 and 1957 the financial years of six banks ended on Oct. 31, two on Nov. 30 and one on Sept. 30.

(Millions of dollars)

Item	1953	1954 ¹	1955	1956	1957
Current Operating Earnings—					
Interest and discount on loans.....	191.6	219.3	236.3	314.2	380.6
Interest, dividends and trading profits on securities.....	111.4	124.3	128.4	102.8	118.4
Exchange, commission, service charges and other current operating earnings.....	75.5	81.9	89.0	96.5	109.5
Totals, Current Operating Earnings.....	378.5	425.5	453.7	513.5	608.5
Current Operating Expenses—					
Interest on deposits.....	65.7	91.5	105.2	129.1	183.4
Remuneration to employees.....	133.4	143.6	153.1	167.8	188.3
Contributions to pension funds.....	13.0	13.6	13.6	14.0	13.8
Provision for depreciation of bank premises.....	7.1	9.0	10.1	11.4	12.7
Other, incl. taxes other than income taxes.....	56.6	63.5	70.1	77.5	86.0
Totals, Operating Expenses².....	275.8	321.2	352.1	399.8	484.2
Net Current Operating Earnings².....	102.8	104.3	101.6	113.7	124.3
Less provision for losses and addition to inner reserves ³	25.3 ⁴	-34.7 ⁴	23.1 ⁴	11.0 ⁴	2.4 ⁴
Less provision for income taxes ⁵	30.1	58.0	37.2	41.7	56.6
Leaving for dividends and additions to shareholders' equity.....	47.4	81.0	41.3	61.0	65.3
Dividends to shareholders.....	20.4	21.5	26.2	31.9	35.4
Addition to shareholders' equity.....	27.0	59.5	15.1	29.1	29.9
ADDITIONS TO SHAREHOLDERS' EQUITY					
From Net Operating Earnings and Inner Reserves to—					
Undivided profits.....	-6.1	2.5	2.4	-5.7	3.2
Rest account.....	33.1	57.0	12.7	34.9	26.7
From Issue of New Shares—					
Rest account.....	1.9	29.9 ⁶	19.8	42.1	33.3
Capital paid up.....	2.3	16.2 ⁶	13.7	14.2	16.5
TOTALS, INCREASE IN SHAREHOLDERS' EQUITY.....	31.2	105.7	48.6	85.5	79.7

¹ Includes figures for eleven months only for two banks (accounting on the average for 7.3 p.c. of total bank assets) which changed their financial year-ends from Nov. 30 to Oct. 31. ² Before provision for income taxes and losses and additions to inner reserves. ³ Includes capital profits and losses and non-recurring items.

⁴ After deduction of re-transfers from inner reserves to undivided profits and rest account amounting to \$17,000,000 in 1953, \$48,000,000 in 1954, \$4,000,000 in 1955, \$19,000,000 in 1956 and \$18,700,000 in 1957. ⁵ Includes provision for income taxes on the taxable portion of additions to inner reserves and on that portion of the funds re-transferred from inner reserves not taxed previously. Includes foreign income taxes. ⁶ Includes increase of \$400,000 in rest account and \$1,500,000 in capital paid up which represented the capital of a bank that commenced business in December 1953.

Cheque Payments.—A monthly record of the amounts of cheques charged to customer accounts at all chartered bank offices in 35 major clearing-house centres of Canada is available from 1924. Except for a minor setback in 1938, the value of cheques cashed shows a continuously upward trend from 1932, the low point of the depression years. The total of \$205,558,447,000 in 1957 was a record, 565 p.c. greater than in 1938; the increase almost equalled the gain in gross national production during the same period. The advance was well distributed throughout Canada's five economic areas. British