

Subsection 2.—Canadian Dollar Currency and Bank Deposits

Bank of Canada statistics concerning holdings of currency and bank deposits are given in Table 7.

7.—Canadian Dollar Currency and Chartered Bank Deposits, as at Dec. 31, 1950-59

(Millions of dollars)

As at Dec. 31—	Currency Outside Banks			Chartered Bank Deposits				Total Currency and Chartered Bank Deposits ¹		
	Notes	Coin	Total	Personal Savings Deposits ²	Government of Canada Deposits	Other Deposits ²	Total ¹	Total Including Government Deposits	Held by General Public	
									Including Personal Savings Deposits	Excluding Personal Savings Deposits ²
1950.....	1,136	78	1,214	4,176	257	3,116	7,549	8,763	8,506	4,330
1951.....	1,191	84	1,275	4,296	88	3,100	7,484	8,759	8,671	4,375
1952.....	1,289	88	1,377	4,600	49	3,281	7,930	9,307	9,258	4,658
1953.....	1,335	94	1,430	4,756	473	3,130	8,359	9,789	9,316	4,560
1954.....	1,362	96	1,458	5,218	176	3,462	8,856	10,314	10,137	4,920
1955.....	1,449	101	1,550	5,633	517	3,697	9,847	11,397	10,880	5,248
1956.....	1,498	108	1,605	6,007	246	3,580	9,833	11,438	11,192	5,185
1957.....	1,555	112	1,667	6,108 ²	423	3,725 ²	10,256	11,923	11,500	5,392 ²
1958.....	1,660	121	1,781	6,844	319	4,303	11,466	13,247	12,927	6,084
1959.....	1,705	128	1,832	6,900	404	4,057	11,360	13,193	12,789	5,890

¹ Less total float, i.e., cheques and other items in transit.

² The deposit balances of religious, educational and welfare institutions and personal accounts used mainly for business purposes were reclassified from "personal savings deposits" to "other notice deposits" as at Sept. 30, 1957, in the returns of the banks to the Department of Finance; from that date the figures are thus not comparable with those for previous years. The amount of deposits reclassified was approximately \$140,000,000.

Section 3.—Commercial Banking

As one of the chief functions of the early banks in Canada was to issue notes to provide a convenient currency or circulating medium, it has been expedient to cover both currency and banking in one historical sketch, which is given in the 1938 Year Book, pp. 900-905. A list of the banks at Confederation appears in the 1940 Year Book, p. 897, and bank absorptions since 1867 are given in the 1941 edition, pp. 812-813. A table in the 1937 Year Book, pp. 894-895, shows the insolvencies since Confederation; the last insolvency occurred in 1923.

Subsection 1.—Chartered Banks

Canadian commercial banks are chartered or licensed by the Government of Canada and operate under one federal statute—the Bank Act—which is revised every ten years and brought into line with changing economic conditions. In addition to conducting a commercial banking business the chartered banks hold most of the public's savings deposits. The last revision of the Bank Act took place in 1954.

Branches of Chartered Banks.—Although there are fewer chartered banks now than at the beginning of the century, there has been a great increase in the number of branch banking offices. As a result of amalgamations, the number of banks declined from 34 in 1901 to 10 in 1931, and remained at that figure until the incorporation of a new bank—