

Still another area of lending which has expanded greatly in recent years is that of consumer credit. While the banks have always made some personal loans, they have not until recently moved aggressively into the general field of lending to the general public for the purchase of automobiles, consumer durables and debt consolidation. Following the 1954 Bank Act Revision, and partly as a result of the change then made which enabled the banks to take chattel mortgage security, some of the banks have developed extensive consumer credit divisions. Personal loans made by the banks, other than those secured by stocks and bonds and Home Improvement Loans, mounted from \$420,000,000 at the end of 1957 to \$1,067,000,000 outstanding at Mar. 31, 1962.

Outside of Canada, the Canadian banks have continued to expand their branch systems in the Caribbean area, though the two Canadian banks operating in Cuba have found it necessary to withdraw. Elsewhere abroad, the banks have expanded their representation in South America and in Europe. In recent years the growth of an international money market, following the economic recovery in Europe and the restoration of confidence in the stability of the Western economies and their currencies, has led to large movements of Western capital from one centre to another. The Canadian banks have participated extensively in this international money market, mainly through New York and London where most of them maintain large offices.

The postwar growth in bank assets has been accompanied by a substantial increase in total earnings. Earnings per share of capital employed did not increase to the same extent, however, as the banks found it necessary to raise new funds from time to time after 1950 in order to maintain an appropriate relationship between their shareholders' capital and the rapidly rising level of risk assets. The banks have been among the largest issuers of new share capital to Canadians in the postwar period.

Subsection 1.—Statistics of Chartered Banks

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—The Mercantile Bank of Canada—in 1953 brought the total to 11. Since then the amalgamation in 1955 of The Bank of Toronto and The Dominion Bank as The Toronto-Dominion Bank, the amalgamation of Barclays Bank (Canada) with the Imperial Bank of Canada in 1956 and the amalgamation of the Canadian Bank of Commerce and the Imperial Bank of Canada as the Canadian Imperial Bank of Commerce on June 1, 1961 have reduced this number to eight. The number of branches of chartered banks in each province periodically from 1868 is given in Table 8.

8.—Branches of Chartered Banks, by Province, as at Dec. 31 for Certain Years 1868-1961

NOTE.—Figures for 1920 and subsequent years include sub-agencies in Canada receiving deposits for the banks employing them; there were 768 such sub-agencies at Dec. 31, 1961.

Province or Territory	1868	1902	1905	1920	1926	1930	1940	1943	1946	1950	1959	1960	1961
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Newfoundland.....	—	—	—	—	—	—	—	—	—	39	69	71	76
Prince Edward Island.....	—	9	10	41	28	28	25	23	23	23	27	27	27
Nova Scotia.....	5	89	101	169	134	138	134	126	127	144	169	173	176
New Brunswick.....	4	35	49	121	101	102	97	93	96	100	112	113	117
Quebec.....	12	137	196	1,150	1,072	1,183	1,083	1,041	1,067	1,164	1,405	1,427	1,454
Ontario.....	100	349	549	1,586	1,326	1,409	1,208	1,092	1,117	1,257	1,711	1,785	1,869
Manitoba.....	—	52	95	349	224	239	162	148	151	165	226	234	246
Saskatchewan.....	—	—	—	591	427	447	233	213	226	238	283	296	301
Alberta.....	—	30	87	424	269	304	172	163	190	246	372	394	409
British Columbia.....	—	2	46	55	242	186	229	192	180	294	492	514	534
Yukon and N.W.T.....	—	—	3	3	3	4	5	5	6	9	13	17	15
Canada.....	123	747	1,145	4,676	3,770	4,083	3,311	3,084	3,219	3,679	4,879	5,051	5,224