and the average rates paid on all deposits tween individual banks. These two rates were as follows:

	Rate of	Date of	f cach man in the manifelt				
		Rate of	each year in the period:				
	Average	Average			Prime	Personal Savings	
	Loan	Deposit			Loan Rate	Deposit Rate	
	Income	Interest			%	%	
	%	%	end	1956	and the second		
1956	4.84	1.08	end		5½	$\frac{2\frac{1}{2}}{2}$	
1957				1957	$5\frac{1}{2}$	$2\frac{3}{4}$	
	5.25	1.48		1958	54	$2\frac{3}{4}$	
1958	5.11	1.52		1959	53	$2\frac{3}{4}$	
1959	5.34	1.64		1960	53/4	$2\frac{3}{4}$	
1960	5.59	1.81		1961	$5\frac{1}{2}$	$2\frac{3}{4}$	
1961	5.43	1.81		1962	$5\frac{3}{4}$	3	
1962	5.42	1.99		1963	534	3	
1963	5.42	2.12		1964	$5\frac{3}{4}$	3	
1964	5.56	2.23		1965	6	3	
1965	5.59	2.35		1966	6	3	
1966	6.01	2.63		1967	-	uing Non-chequing	
1967	6.17	2.83		1967	02CHeq		
1968	6.99	3.45			3	$4\frac{1}{2}$	
	0.00	0.40		1968	$6\frac{3}{4}$ 3	5	

The interest rate on prime commercial loans in Canada and on Canadian personal savings deposits do not usually vary significantly be- chartered bank in 1956-1968 was as follows:

Questions

have been reported as follows at the end of

1967		3	41	
1968	$6\frac{3}{4}$	3	5	
The Balance				
provision for				each

		(the	ousands of	f dollars			
	1956	1957	1958	1959	1960	1961	1962
Montreal	8,976	9,650	10,357	12,191	14.227	14.579	16,014
Nova Scotia	3,790	4,744	5,241	5,903			8,466
Toronto-Dom.	3,656	4,082	4,746	5,463			8,245
Provincial	710	799	875	and the second second			1,951
Commercet	7,892	8,553	10,212				19,190
Royal	12,467	13,920	15,868	,			21,492
Nationale	1,897	2,081	2,268	2,636		,	3,484
Imperial†	2,676	2,788	3,084	3,691		_	-
Mercantile	53	50	35	-	1	1	1
	1963	1964	1965	1966	1967	1968	
Montreal	16,747	17.855	18,730	19.906	20.720	18 061	
Nova Scotia	8,724					,	
Toronto-Dom.	8,755				the state of the s	to work of the contract of	
Provincial	1,985			The state of the s			
Commerce†	20,385	21,403		Charles and the second second	THE RESERVE AND ADDRESS OF THE PARTY OF THE		
Royal	22,580	23,757					
Nationale	3,705	4,080	,		,		
Mercantile	1	2	2	2			
	Nova Scotia Toronto-Dom. Provincial Commerce† Royal Nationale Imperial† Mercantile  Montreal Nova Scotia Toronto-Dom. Provincial Commerce† Royal Nationale	Montreal       8,976         Nova Scotia       3,790         Toronto-Dom.       3,656         Provincial       710         Commerce†       7,892         Royal       12,467         Nationale       1,897         Imperial†       2,676         Mercantile       53         Montreal       16,747         Nova Scotia       8,724         Toronto-Dom.       8,755         Provincial       1,985         Commerce†       20,385         Royal       22,580         Nationale       3,705	1956   1957	1956	Montreal	Montreal         8,976         9,650         10,357         12,191         14,227           Nova Scotia         3,790         4,744         5,241         5,903         6,825           Toronto-Dom.         3,656         4,082         4,746         5,463         6,652           Provincial         710         799         875         1,231         1,450           Commerce†         7,892         8,553         10,212         11,118         12,600           Royal         12,467         13,920         15,868         17,119         19,504           Nationale         1,897         2,081         2,268         2,636         3,069           Imperial†         2,676         2,788         3,084         3,691         4,134           Mercantile         53         50         35         —         1           1963         1964         1965         1966         1967           Montreal         16,747         17,855         18,730         19,906         20,720           Nova Scotia         8,724         9,728         10,447         11,700         12,910           Toronto-Dom.         8,755         9,080         9,915         10,893         1	Montreal

Balance of Profits

Notes: \* 11 month period. † These banks amalgamated in 1961.

## REDUCTION OF INTEREST RATE BY CHARTERED BANKS

## Question No. 1,115-Mr. Robinson:

B.C.

Does the federal government intend to influence to reduce interest rates to borrowers?

Hon. E. J. Benson (Minister of Finance): Under the Bank Act each chartered bank is free to set the rates it pays on deposits and the rates it charges borrowers. These the Bank of Canada in urging the chartered banks rates are affected by competition from other banks, other financial institutions and by

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