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ENGLISH AND CANADIAN BANKING PRACTICE COMPARED.

Statistics recently published by the London Economist, suggest interesting comparisons of several trends in English and Canadian banking practice. One of the tables gives in summary the position of nineteen of the leading English banks as at June 30 last. From this table, we have extracted the detailed figures of the loans and discounts, and their proportion to the total assets of the banks, and have now added thereto for purposes of comparison, as below, the similar figures of the Canadian banks at the same date.

ENGLISH BANKS.

	Loans and Discounts.	P.e. of Assets.
Bank of Liverpool	£18,941,392	49.6
Barelay & Co.	40,754,174	49.5
Capital and Counties	22,982,131	44.5
Coutts & Co.	5,570,057	38.4
Glyn, Mills, Currie & Co.	6,744,817	28.3
Lloyds	78,219,431	53.1
London & Provincial	13,431,914	48.6
London & South Western	13,145,833	45.0
London City & Midland	82,506,561	51.9
London County & Westminster	59,816,928	47.8
London Joint Stock	26,895,584	53.0
Manchester & County	6,403,521	45.4
Manchester & Liverpool District	15,237,603	45.8
Martins	1,792,132	35.5
National Provincial	53,997,290	59.6
Parr's	25,822,213	39.5
Union of London & Smith's	24,626,157	43.5
Union of Manchester	5,026,407	58.1
Williams, Deacon's	11,223,998	48.5

CANADIAN BANKS.

	Loans and Discounts.	P.e. of Assets.
Montreal	\$191,904,245	67.4
Quebec	13,171,130	65.7
Nova Scotia	59,390,958	60.0
British	41,150,509	69.4
Toronto	42,179,867	66.4
Molson's	37,137,950	71.6
Nationale	20,108,087	74.1
Merchants	53,224,672	62.7
Provinciale	7,761,254	61.3
Union	60,797,045	77.0
Commerce	161,059,532	69.2
Royal	119,434,682	63.8
Dominion	46,002,261	59.4
Hamilton	31,007,037	67.6
Standard	35,690,134	75.7
Hochelega	23,624,932	71.7
Ottawa	32,105,534	61.9
Imperial	48,971,136	63.7
Home	10,734,350	78.0
Northern Crown	10,694,623	68.0
Sterling	6,347,406	69.9
Weyburn	960,167	62.7

It will be seen from these tables that uniformly in the case of the Canadian banks, the proportion which their loans and discounts bear to their total assets is much higher than in the case of the English banks. In fact, the proportion of only one Canadian bank is even a fraction lower than the highest proportion recorded in the English table; beyond this, there is no inter-relation of the percentage figures. It must be noted that the English figures coincide with a total of bank deposits easily at record heights, the deposits of the 19 English banks included in the summary, having increased by some 200 millions pounds sterling during the year prior to June 30. With these enlarged deposits, the banks increased their investments and their liquid resources very considerably, so that the proportion of loans and discounts is probably somewhat lower than normal. Similarly, however, as will be in recollection, the Canadian banks' large increases in deposits during recent months have been proportionately utilised in the enlargement to exceptionally ample proportions of their investment holdings and liquid resources, and a portion only of the latter is included in the total of their loans and discounts. So that even after making allowances for the exceptional monetary conditions of the present day, it seems that the figures given above suggest very fairly the difference between the two sets of banks in the proportions of their loans and discounts to their assets.

COMMERCIAL AND FINANCIAL BANKS.

The fact of the consistently higher proportions of loans and discounts to assets, it may be suggested, is an indication that the Canadian banks as a whole are in closer touch with the industry and commerce of the Dominion, and to a certain extent of the West Indies, than are the English banks with the trade and commerce of England. Practically all the Canadian banks are primarily commercial banks, although some have developed in recent years a very fair proportion of purely financial business. On the other hand, a number of the London institutions are primarily now—whatever they may have been in their beginnings—financial banks, purely commercial business being with them subsidiary. It is necessary to intelligent comprehension of the problems of banking in Canada to realise the diversity of the demands made upon the Canadian institutions in comparison with those which are made upon the banks in an old country of great accumulated wealth. In Canada the banks are looked to for the supply of funds for every possible kind of industrial and commercial development; in England, many demands of this kind are met from other sources than the banks, which are relied on to a lesser extent than in Canada for funds for these purposes.

The average of the Canadian banks' loans and discounts in proportion to assets at June 30th last, was 66.1 per cent., or excluding the foreign call loans, 59 per cent. The differences already described be-