

creased by \$14,110,462 to \$104,301,411 or by 15.66 per cent. This increase compares with one of \$10,092,478 in the previous twelve months. At September 30, the proportion of the banks' rest funds as a whole to their paid-up capitals was 94.26 per cent. compared with 88.94 per cent. twelve months previously, and the time is not far distant apparently, when the rest funds will equal in amount the paid-up capitals of the banks. Two of the new banks not having yet started to build up a rest account, this rest is divided among 24 institutions. Of these twenty-four, twelve have rest accounts equal to or greater than their paid-up capital, three have rests of over 75 p.c. of their paid-up capitals; five of 50 p.c. and below 75 p.c. and four of below 50 p.c. All but four of the banks made additions to their rest accounts during the twelve months ended September 30, and of these four, two were the new banks which have not yet started a rest account. Comparing September 30, 1912, with September 30, 1911, it is seen that in the twelve months sixteen of the banks increased their ratios of rest funds to paid-up capital, five retained the same proportion as at the earlier date, one case being of a bank without a rest fund, and in four cases there were decreases in ratio. The latter are not important, being mainly consequent upon increases in paid-up capital, concerning which it may be noted that in the cases of some of the banks, there do not yet appear in the official returns apparently, the full amounts which can be credited to rest as a result of the issue of new capital at a premium.

COMPARISON WITH UNITED KINGDOM.

The attention which Canadian bankers as a whole pay to the rest fund has in the past been unfavorably criticised by outside observers of the Canadian banking system. In an article published a year ago, THE CHRONICLE showed that Canadian practise generally favors a much larger rest than does the banking practice of the United Kingdom, where some of the joint-stock banks of the highest standing are content with ratios of reserve to paid-up capital of 50 per cent. or less. We then pointed out, however, that the reserves of banks in the United Kingdom have been practically stationary in aggregate amount for a number of years owing to the heavy drafts which have been made upon them by the depreciation in Consols and kindred securities. These drafts, it may be noted, have still to be made. At June 30, 1912, the reserves of the English joint stock banks were £725,000 lower than at June 30, 1911, and those of the Irish banks, £213,100 lower, and these losses were only partially offset by an increment of £115,800 in the Scotch bank reserves. In the case of the banking institutions of the United Kingdom, there is no double liability attaching to the holding of their shares as in Canada, yet the fact that uniformly the shares are only partly paid has the same effect as the double liability clause and in many instances the uncalled liability upon the shareholder in British banks is considerably larger proportionately than the double liability which attaches to the holding of Canadian

BANKS' CAPITALS AND RESERVES: A TWELVE MONTHS' COMPARISON.

(Compiled by The Chronicle).

Banks.	Capital paid up Sep. 30, 1911.	Rest Fund Sep. 30, 1911.	Percentage of Rest to paid-up Capital.	Capital paid up Sep. 30, 1912.	Rest Fund Sep. 30, 1912.	Percentage of Rest to paid-up Capital.
British	\$ 4,866,666	\$ 2,652,333	54.50	\$ 4,866,666	\$ 2,774,000	57.00
Commerce	11,411,850	9,129,480	80.00	15,000,000	12,500,000	83.33
Dominion	4,566,574	5,566,574	121.90	4,953,122	5,953,122	120.19
Eastern Townships	3,000,000	2,250,000	75.00	3,000,000	3,430,600	114.35
Hamilton	2,743,400	3,064,677	111.73	2,956,930	2,650,000	89.62
Hochelega	2,500,000	2,500,000	100.00	1,290,863	450,000	34.90
Home	1,272,082	425,000	33.41	6,523,423	6,523,423	100.00
Imperial	5,959,423	5,959,423	100.00	1,359,843	5,900,000	88.00
Internationale	6,000,000	4,900,000	81.66	6,704,983	1,250,000	125.00
Merchants	1,000,000	1,250,000	125.00	1,000,000	4,700,000	117.50
Metropolitain	4,000,000	4,600,000	115.00	4,000,000	16,000,000	100.00
Molsons	14,400,000	12,000,000	83.33	16,000,000	1,400,000	70.00
Montreal	2,000,000	1,300,000	65.00	2,000,000	1,790,000	179.00
Nationale	895,300	1,598,666	179.23	1,000,000	250,000	9.76
New Brunswick	2,207,451	150,000	6.79	2,559,715	8,074,742	185.07
Northern Crown	3,892,150	7,154,080	183.81	4,410,530	4,228,260	113.41
Nova Scotia	3,500,000	3,900,000	111.43	3,728,260	500,000	50.00
Ottawa	1,000,000	425,000	42.50	1,000,000	2,500,000	117.42
Provinciale	2,500,000	1,250,000	50.00	2,500,000	12,355,818	121.61
Quebec	6,200,000	7,000,000	111.29	11,374,380	2,914,086	29.58
Royal	2,000,000	2,500,000	125.00	2,314,086	5,987,720	120.05
Standard	951,934	281,616	29.58	1,014,257	300,000	62.09
Sterling	4,497,455	5,247,455	116.68	4,987,720	5,000,000	100.00
Toronto	4,354,500	2,300,000	50.52	839,860	3,104,640	62.09
Traders	4,755,290	2,776,655	58.41	310,000	15,000	4.84
Union of Canada	616,905	.....	.....	.....	.....	.....
Vancouver	301,300	.....	.....	.....	.....	.....
Weyburn . . . . .	.....	.....	.....	.....	.....	.....
Totals and averages	\$101,392,280	\$90,181,949	88.94	\$110,694,638	\$104,301,411	94.26