averaged 43.5 per cent. of their paid-up capital, whereas to-day, the average proportion of the reserve fund to capital paid-up is 68.6 per cent.

The aggregate deposits now average 623 per cent. of the paid-up capital, that is, for each $100 of capital the banks have $623 of deposits, while in 1897 the proportion was 322 per cent., or nearly one-half the present ratio. This has been caused by the paid-up capital having been increased by only 32.67 per cent., while the deposits in the same period have increased by 156 per cent., from $190,716,000 to $512,600,000. The large increase in the aggregate reserve fund of the banks since 1897, when the revival of trade began to be marked, and increase of deposits in same period, are not merely accidental coincidences, they are closely related as cause and effect, for the profits out of which the reserve funds have been partly built up were the result of the banks having such large supplies of loanable funds from deposits.

Taking 10 of the largest banks, whose capital is over $2,500,000, we find their aggregate capital to be $52,954,000, and aggregate deposits $337,800,000, that is for each $100 of capital those 10 banks

BANK PERCENTAGES IN RELATION TO CAPITAL.

Table Showing the Amount of the Reserve Fund, the Securities Held, the Deposits in Canada, the Call Loans in Canada, and the Current Loans and Discounts in Canada of each of the Banks of Canada with their Respective Proportions to the Amount of their Paid-up Capital in 1903—1905.

Banks	Year	Reserve Fund		Circulation		Deposits in Canada		Current Loans and Discounts in Canada		Call and short loans in Canada	
		Amount	Ratio to Capital	Amount	Ratio to Capital	Amount	Ratio to Capital	Amount	Ratio to Capital	Amount	Ratio to Capital
Bank of Montreal............	1903	8,400,000	60.0	7,938,500	58.8	63,571,700	454.0	59,658,503	426.1	....	.....
" "	1905	10,000,000	71.4	8,359,060	59.7	78,409,380	560.0	68,669,130	490.0	....	.....
Canadian Bank of Commerce..	1903	2,500,000	31.2	6,185,620	77.3	44,871,800	560.8	37,721,234	471.5	4,628,325	57.8
" " " ..	1905	3,917,330	40.2	6,886,910	70.6	60,248,544	618.0	55,708,840	569.0	3,861,640	39.6
Merchants Bank of Canada...	1903	2,700,000	45.0	4,077,250	67.9	22,772,200	377.0	15,440,451	257.3	5,250,077	87.5
" " " ..	1905	3,400,000	56 6	3,814,610	63.5	26,514,750	441.9	20,075,190	334.6	4,165,950	69.4
Bank of British North America	1903	1,898,000	39.0	2,311,310	47.4	13,395,200	275.4	15,906,859	326.8	3,088,559	63.4
" " "	1905	2,044,000	42.0	2,769,290	56.9	16,573,032	340.5	15,482,690	318.1	2,486,150	51.7
Imperial Bank..............	1903	2,530,380	84.9	2,584,326	86.1	19,108,000	636.9	14,654,773	488.6	3,223,015	107.4
" "	1905	3,000,000	100.0	2,757,840	91.9	23,730,950	791.0	18,891,590	629.7	2,696,940	89.9
Quebec Bank	1903	800,000	32.0	1,405,910	56.2	7,159,600	286.3	7,110,483	284.4	2,046,610	81.8
"	1905	1,050,000	42.0	1,309,460	52.4	8,143,770	325.7	7,404,910	296.6	2,796,870	111.8
Union Bank	1903	712,290	29.5	2,379,500	95.1	11,232,200	449.3	15,645,072	625.8	639,694	26.5
"	1905	1,100,000	44.0	2,469,030	98.7	14,801,640	592.0	17,408,030	696.0	493,710	19.7
Royal Bank................	1903	2,711,920	101.0	2,151,790	77.7	12,691,100	470.0	11,299,168	376.6	1,961,837	65.3
"	1905	3,000,000	100.0	2,505,850	83.5	15,532,400	517.7	15,842,370	528.0	1,405,700	46.8
Dominion Bank..............	1903	2,960,930	100.0	2,693,090	89.7	23,559,700	751.9	18,775,696	625.8	5,556,040	185.5
"	1905	3,500,000	116.6	2,689,800	89.6	29,760,420	992.0	23,564,850	785.5	4,609,620	153.6
Bank of Ottawa..............	1903	2,161,130	93.7	2,062,390	82 5	11,740,200	504.0	12,090,120	519.1	1,767,047	75.8
" "	1905	2,500,600	100.0	2,251,100	90.0	15,850,540	634.0	16,860,640	674.4	1,036,720	41.5
Molson's Bank..............	1903	2,250,000	90.0	2,348,950	86.0	16,979,700	679.0	16,916,239	676.6	1,693,024	67.7
" "	1905	3,000,000	100.0	2,549,390	84.9	19,528,887	650.9	18,120,280	604 0	3,280,470	109.3
Bank of Toronto..............	1903	2,600,000	104.0	2,295,850	91.8	14,986,800	599.4	15,627,754	625 1	1,861,969	74.4
" "	1905	3,643,680	109.0	2,518,080	75.0	19,601,000	586.0	19,807,480	592.4	2,102,270	62.8
Bank of Hamilton..............	1903	1,600,000	86.0	1,816,530	90.8	15,474,400	773.7	14,319,106	715.9	2,067,846	103.3
" "	1905	2,235,540	100.0	2,097,820	93.8	19,586,150	876.0	18,466,750	826.0	1,621,280	72.4
Bank of Nova Scotia..............	1903	3,000,000	150.0	1,878,630	93.9	17,210,600	860.5	8,658,900	432.9	2,995,869	149.7
" "	1905	3,548,300	160.0	2,065,470	93.1	18,825,070	849.0	11,068,840	499.2	3,413,380	153.9
Eastern Townships Bank.....	1903	1,200,000	60.0	1,471,320	66.3	7,462,600	373.1	8,933,510	446.6	1,127,397	56.3
" " "	1905	1,500,000	60.0	1,865,810	74.6	10,680 030	427.2	12,626,770	505.0	323,950	12.9
Standard Bank..............	1903	850,000	85.0	878,050	87.8	10,062,800	1006.2	8,574,360	857.4	1,102,948	110.2
" "	1905	1,000,000	100.0	881,590	88.1	12,367,570	1236 7	11,574,440	1157.4	353,801	35.3
Hochelaga Bank..............	1903	950,000	47.5	1,669,440	83.4	6,512,700	325.6	8,590,650	429.5	1,075,271	53.7
" "	1905	1,200,000	60.0	1,622,610	81.1	9,769,640	488.4	10,149,514	507.4	560 340	28.0
Ontario Bank	1903	425,000	28.3	1,318,970	87.9	9,063,000	604.2	10,068,793	671.2	961,281	64.0
" "	1905	650,000	43.3	1,242,460	82.8	11,862,600	790.0	12,082,800	805.5	506,780	33.7
Traders Bank..............	1903	350,000	23.3	1,439,510	95.9	10,296,900	686.4	8,627,244	575.1	1,938,453	129.2
" "	1905	1,100,000	36.6	2,193,290	73.1	15,918,910	530.6	16,167,410	538 9	1,895,650	63.2
Sovereign Bank	1905	458,790	30.0	1,353,270	88.1	8,535,780	556.0	8,649,950	563.5	1,288,090	83 9
Metropolitan	1905	1,000,000	100.0	912,950	91.9	2,140,018	214.0	3,159,830	315.9	794,300	79.4
Union of Halifax	1905	825,000	61.7	1,187,990	88.9	6,119,[illegible]31	461.0	6,598,040	495.6	171,690	......
10 Smaller Banks..............	1905	2,741,000	47.8	4,787,426	83.0	22,656,861	391.5	27,620,453	486.0	1,633,910	28.5
Totals	1903	43,371,890	57.0	56,949,110	74.9	372,055,591	489.5	346,2[illegible]2,550	455 6	48,404,884	63.6
"	1905	56,408,680	68.6	61,587 560	74 9	468,571,640	570.0	437,470,440	532.0	41,746,700	50.8