

EXPANSION OF NOTE CIRCULATION.—The figures presented by the Department of Finance on the 31st August last, dealing with the paper currency of the country, are of no little interest when compared with previous returns, and evidence the marvelous growth of the Dominion since the days of Confederation. Then, the demands of commerce necessitated the issue of a paltry \$10,000,000, whereas to-day four times that amount barely satisfies the needs of the country. According to the returns, a total government and bank note circulation of \$48,671,961 has been attained at that date, of which \$37,866,401 was in actual circulation, the balance being held by the chartered banks as part of their cash reserves. The public requirements at the moment actually demanded within a million or two of the larger figures, for, in estimating the sum closely, we should perhaps deduct some such approximate amount to represent the bank note circulation then on its way back for redemption. It is interesting to compare the bank returns year by year, as regards this subject. While the banking capital has about doubled in the interval since Confederation, the circulation issued on the basis of such capital has increased four-fold, as also have discounts and deposits. We present herewith a table compiled from the yearly returns, reviewing at a glance the very large expansion which has taken place in banking circles since 1867. It is confined solely to the notes in circulation, the capital against which their issue is based, and the total assets over which they have a first privilege.

<i>Year.</i>	<i>Capital paid-up.</i>	<i>Notes in circulation.</i>	<i>Assets.</i>
1868.....	\$30,289,048	\$8,307,079	\$77,872,257
1869.....	30,981,074	8,063,198	83,565,027
1870.....	32,050,597	14,167,948	102,147,293
1871.....	36,415,210	18,339,893	121,014,395
1872.....	45,134,709	25,040,077	151,772,876
1873.....	55,102,959	29,516,046	168,519,745
1874.....	60,443,445	26,583,130	188,417,005
1875.....	63,367,687	20,902,991	184,441,108
1876.....	67,199,051	20,288,158	184,421,514
1877.....	63,923,156	18,265,356	174,375,603
1878.....	63,387,034	19,351,109	175,473,086
1879.....	64,159,427	18,090,814	170,446,074
1880.....	60,584,789	20,186,176	181,741,074
1881.....	59,384,987	26,102,368	198,967,278