

tion (1867) the Province continued to issue treasury notes, sometimes redeemable in gold and sometimes not, having finally in circulation £605,859 (Halifax currency), not a large sum, but, unfortunately, more than the new Dominion Government felt able to redeem in cash. This was the beginning of the present legal tender issues, the least defensible feature in Canadian currency and banking, to which I shall refer hereafter. Early in 1820 Royal assent was given to a charter for a bank in New Brunswick, but, despite the attempts early in the century, and doubtless because of the existence of the Government treasury notes, no bank was started in Nova Scotia until 1825. This was a private bank, and remained so until 1872. The first joint stock bank was not created until 1832.

It may safely be said that the three charters granted in Lower Canada, all practically alike, are the substructure on which all subsequent improvements have been built, and that no very radical changes have been at any time necessary. Indeed, there are many provisions in these charters which were subsequently included, almost unchanged, in the general Banking Act. Among the provisions which, although different in detail, are not essentially different in principle from the present Act, are the following:

1. The charter was to continue in force for ten years.
2. The directors were to be British subjects. The qualification in stockholding was quite small, namely, four shares of £50 currency each, or \$800 par value. The directors were not to act as private bankers. They were to be remunerated only by compensation voted by shareholders at an annual meeting.
3. The directors were to appoint officers of the bank and to take surety bonds for faithful performance of duties. They were to declare dividends, when profits were earned, as often as half-yearly. They must not, in paying dividends, encroach upon the capital. They must keep proper stock books. They had the right to inspect all books, correspondence and funds of the bank. They were obliged to submit a clear annual statement of the bank's position to the shareholders at the annual meeting.