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**BANK ACT AMENDMENTS.** ONE year more, and the Bank Act comes up automatically for its usual decennial re-adjustment. Already there have appeared adumbrations of amendments that will be urged by various financial "reformers." The one article of faith they hold in common appears to be that a change is always for the better—even though it risk being for the worse.

A little over a year ago, a resolution was introduced in Parliament contending that the time was then opportune for considering a general Bank Act revision, and outlining certain rather radical changes. Fortunately the House concurred in the view expressed by the Finance Minister and by the chief financial critic on the opposition, that the matter had best be left for the discussion which comes in due course next year. To have antedated this periodical revision would have risked a weakening of confidence at home and abroad in the essential stability of Canadian banking institutions.

A time of business unrest was certainly ill-suited to the debating of such matters. On the strength of the country's proved financial stability, capital from abroad was attracted to an unprecedented extent during 1908. Had Parliament, early last year, entered upon the revision of the Bank Act, a baseless impression might easily have got abroad that there were shortcomings in Canadian financial practice serious enough to affect investment conditions adversely. Happily, however, no such view obtained.

**EVOLUTION OR REVOLUTION—WHICH?** THE efficiency of the Dominion's banking system during the United States crisis won unstinted recognition, alike from Great Britain and from our nearer neighbour. But this is not to say that banking improvements are impossible, nor that their careful consideration by press and Parliament during the next year is not desirable. Improvements have been steadily made during the past, and will be rightly

called for in the future—but it is notable that thus far, they have come through evolution rather than revolution.

An astute American observer of Canada's banking development has remarked that one of the strongest contrasts which its whole record presents to the history of United States banking, is the continuity of the progress made. He points out that there has been no recurring struggle to establish a great government bank, no epidemic of wild-cat banking, no out-and-out rejection of one system for experiment with another.

When shortcomings have become apparent, there has been no petulant and illogical sweeping aside of the old to make room for some new, untried system. Instead, after careful consideration of changing conditions, gradual improvements have been effected and new safeguards against public loss introduced.

**LONG-CONTINUED IMPROVEMENT.** ACCORDING to this unbiased observer, "the present Dominion Bank Act is unquestionably better, more careful, more strongly and scientifically drawn than any previous legislation, the banking practice is more sound—the steady improvement, save with respect to investors' profits, is hardly less remarkable than the continuity discernible in its development—yet the economic character of the functions permitted the banks, and the methods of their fulfilment are the same under the Dominion system of 1890 as under the provincial charters of 1821."

These words written nearly fifteen years ago, by Dr. R. M. Breckenridge, remain as true after the Bank Act of 1900 as after the Act of 1890. And that they will be no less true after the revisions of 1910 is a consummation devoutly to be wished by all who have at heart the sound business progress of the Dominion.

Based originally upon tried Scottish practices and adapted gradually to new-world conditions, the Canadian banking system may call for changes in particulars—scarcely in principles.