

concerned, and though now repealed, it was the parent of the present Bank Act.

With certain limitations respecting capital stock and some other matters relating more to the shareholders than the public this Act repealed the charters of the various banks and declared that from and after a certain day "this Act shall form and be the charters of the said banks respectively until the first day of July, 1881."

Duration of Charters Limited to Ten Years

The important principle of limiting the duration of the charters for ten years was thus introduced. The wisdom of it is admitted by the banks themselves, in fact, in 1900 the Government offered to make their charters perpetual, but the Bankers' Association after full discussion deliberately resolved to ask the Government to have the charters continued for ten years only. Their reasons were the following:

They believed it to be in the public interest that the whole question of banking should be discussed generally by the banks and the Government at least once in every ten years, in order that a review of the past might be made with a view to improvements for the future, and in order that the system might be made as far as possible continuously suitable to the growing requirements of the country—and bankers are wise enough to know that whatever is truly for the public interests is in the last analysis for the true interests of the banks also. The fact that under our constitution the Government must practically take the responsibility of any legislation which may be required from Parliament upon so important a subject as banking, practically makes any important bill relating to it a Government measure, and, as any amendments to the Bank Act operate as amendments to the charters of the banks themselves, the Government, before proposing to Parliament any legislation affecting the charters, invites the banks to discuss the proposed measure before it is introduced. In this way a mutual understanding is reached and when both parties desire only what is fair and in the public interest the result cannot be other than beneficial. Therefore the banks desired this opportunity for mutual and general discussion to be preserved to them, and, in order that there might be stability and some reasonable period of rest after one revision of the system before another revision was discussed, the ten-year