



MR. G. W. YARKER

We have pleasure in presenting a portrait of Mr. G. W. Yarker, one of the best-known bankers in Canada, who, having been born on March 28, 1836, celebrated a few days ago his seventy-fifth birthday. Mr. Yarker had a distinguished career in the service of the Bank of Montreal, including the management of that Bank at Toronto. He is at present manager of the Toronto Clearing House. There are many who hope that this well-known banker and financial man will be able to occupy his present position and continue his life-long close study of Canadian banking for a long time to come.

A RATIONAL BANKING SYSTEM.*

The work of Mr. H. M. P. Eckhardt as a student of banking and financial affairs is well known, and those who are already acquainted with his careful and painstaking writings will welcome his new book. In one sense, it is a banking confession of faith. Mr. Eckhardt writes with the enthusiasm born of knowledge of the merits of the branch banking system. He is quite certain, too, that its merits will appeal in time to the United States. The purpose of the present book as he expresses it, is to gain friendship for the branch

bank idea, and both Mr. Eckhardt's matter and method are well calculated to that end.

The method is to present the case against the existing system of local single-office banks from every point of view—from the point of view of the bank employee and officer, the bank customer, the borrower and the depositor, the person who now has no relations with banks, the corporation, the Government and the country itself. From each of these points of view, Mr. Eckhardt piles up his indictment against the single-office banks; and he shows then by way of contrast what the circumstances of each of these interested parties would be under a branch banking system.

In a brief review it is not possible to discuss each of the many points raised, but it will, perhaps, be interesting to call attention to some of the striking comparisons which Mr. Eckhardt makes between the banking system of Canada and the lack of system in the United States. Mr. Eckhardt has a chapter on the subject of banking defalcations and frauds, which he describes as more numerous in the United States than in any other country, owing to one-man power and ill-regulated offices. And this leads on to an apropos consideration of external examination as a preventive of fraud. He writes:

The truth is that these examinations cannot prevent defalcation. The examiner may discover a fraud after it is committed; that is about all he can do. He calls at the bank only about twice a year, and his visits do not last more than a day or two days. A more thorough examination or inspection than that of the regular bank examiners is provided by the clearing house associations

* A Rational Banking System, By H. M. P. Eckhardt. New York and London, Harpers. Price \$1.50 net.