

counted for these purposes are of short date, but it is the Bank that is applied to ; it is sufficient to compare the balance sheet at the moment of the issue of a public loan or during a crisis to recognize with what eagerness the facilities offered by the Bank are availed of.

In France, as in all other countries, cash transactions (leaving the retail trade out of account) represent a very small part of the whole ; the greater portion of business transactions are settled for periodically, the terms varying according to the custom obtaining in the trade or industry concerned. Settlement is made by means of a bill drawn on the debtor payable at his residence, and occasionally at his bankers. As these bills are payable at all points, there results a very large circulation of values in this shape, which at all times amounts to hundreds of thousands of drafts ; many banks find, too, in their collection—that is, in the gathering together of these bills receivable and their transmission to the points where they are to be paid—a source of business and of profit which is not to be despised. The merchants or manufacturers, drawers of these bills or holders of them by endorsement, remit them to their bankers, who make advances upon them, without waiting for maturity, of the face amount or less, according to the credit of their client ; credits established thus, although not representing a debit balance in current account, often attain considerable figures. Whenever for any reason the banker wishes to repossess himself of capital thus temporarily invested, their rediscount at the Bank of France affords him always—to the extent at least of the credit afforded him—an easy means of attaining this result ; furthermore, this rediscount, or even the transmission of the bills for payment, relieves him from the trouble of collection at all points where there is an office of the Bank of France, removing at the same time all the risks of remittance. These facilities are not confined to bankers, and merchants and manufacturers who furnish the security required by the Bank profit by them in the same way.

Advances upon securities, and better still, advances on current account, are also frequently made. These advances on current account, which permit from 60 to 80 per cent. of the value of the securities deposited to be drawn for a minimum of