

Legislature will be able to put this clause upon a more equitable footing remains to be seen."

#### REDEMPTION OF NOTES.

Section 56 requires that the bank makes such arrangements as may be necessary to ensure the payment of its notes at par at the chief places of business in each Province. No penalty, always save that of forfeiture, is attached to this clause, but the result must be that all bank bills will everywhere pass at par.

In this connection it must be noted that a weakness is apparent in the wording of this section. No more seems to be really intended than that the bank shall make arrangements to insure the redemption and payment of its notes at the cities of Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg and Victoria, and at such other places as the Treasury Board may designate from time to time. Banks whose Head Offices are not situated in such places must also redeem at their chief place of business, as is elsewhere (section 57) provided. But at first reading, it would appear that the Bank is to be called upon to establish agencies in every part of the Dominion. It might be well to re-consider the reading of this section, and to strike out, as surplusage, the words "payment at par in any and every part of the Dominion of Canada of all notes issued or re-issued by it and intended for circulation, and for this purpose the bank shall establish agencies for."

Section 60 amends the law as at present in force, by providing that at least one signature to each bill or note must be in the actual handwriting of a person authorized to sign such bill or note. This will be a protection to the bank in case any of its notes are stolen before completion and issue.

#### BUSINESS AND POWERS OF THE BANK.

An amendment of considerable importance, proposed by the Bill under consideration is to be found in section 75, and relates to loans to wholesale dealers, shippers and manufacturers. In the present Act it is provided that warehouse receipts may be granted by certain dealers and manufacturers who, although owners, may issue such receipts for goods in their own possession, as security for loans obtained from the Bank. At the suggestion of bankers generally, an extension of this power has been granted by the proposed Bill. The amendment is a sweeping one, "practically converting every manufacturing