CANADIAN BANKING PRACTICE.

By H. M. P. Eckardt.

XV.

Question of Interest Charges.

After that is done, the interest tables can be taken and the interest calculated, beginning at the smallest number of days and working up to the largest. If a customer has more than one bill, on each of which the same number of days are to be charged at the same rate of interest, the bills can be added together and the interest on the total amount calculated and set down. The commission and other charges to be made against each bill can now be put down in the columns provided for the purpose. This done, the proceeds may be calculated. Unless there are special instructions to the contrary, the proceeds of all the bills belonging to the same class of bills deposited by any customer may be entered in one amount.

The total of the face amount of his bills is first arrived at, and from it is deducted the summation of the totals of the interest, commission, and of the other charges on his bills, the difference being the proceeds, or the amount which the bank pays him for them. When the calculations of all proceeds are completed they can be proved by carrying the additions of the several columns in pencil down through the last bill on the day's list.

The grand total of all interest, commissions, other charges, and proceeds should equal the total of mills. The proceeds can now be entered in the book kept for that purpose. In this it is only necessary to put the customer's name and the amount of his proceeds. From this book the deposit ledger-keeper posts them into his ledger.

Different Classes of Discounts.

Reference has been made to the entering of the bills in different classes. The discounts, like the collections, are divided into classes, but for a different reason. The bank wishes to know at all times how much of the various kinds of paper it has under discount. Different banks will have their bills differently classified. The two main classes of bills are "Accommodation" or "Loan Bills," and "Trade Bills."

The first named class contains the bills representing direct loans by the bank to its customers. A business man wishes to borrow a thousand dollars for some purpose or other. He goes to the bank and offers his note, secured by an endorser, or in some other wise, and the bank lends him the money. His note is said to be an accommodation or loan bill. This is an entirely different transaction from that which ensues when the customer brings to the bank for discount notes given to him by his debtors in settlement of goods purchased by them from him.

These latter are said to be trade bills, because they represent actual trade transactions. Generally speaking, they are considered superior to the accommodation bills as a banking security.

Loan and Trade Bills.

These two classes may be subdivided again into special kinds of loan bills and special kinds of trade bills. For example, there may be a section of the book devoted merely to loan bills, one to loans on warehouse receipts, or, if they be specialized, to grain loans, dairy loans, etc. The trade bills may be divided into local bills and remitted bills, and into any other class that may seem desirable. All the bills of the same class are numbered consecutively, usually with a distinguishing letter or letters prefixed. An account may be kept in the general ledger for each class of bills.

At Vermillion, in Eastern Alberta, a volunteer fire brigade has been organized. The chief is Joseph McKone, the deputy-chief, A. E. Howard. There are thirty members.

BOARD OF TRADE PARLIAMENT.

Many Important Subjects Will be Discussed by the Boards of the Maritime Provinces.

The annual meeting of the Maritime Board of Trade, the programme of which is printed below, will consider some very interesting subjects. One of the most striking is the resolution of the Bear River, N.S. Board of Trade for the revival of wooden shipbuilding, and a petition for the granting of a substantial government bounty to aid this industry. Halifax will ask for a bonus to steel shipbuilding. Chatham, N.B. will introduce the subject of "A National Banking System for Canada." Here is the full list of subjects,—

Nova Scotia Boards.—Annapolis Royal.—Canadian Atlantic Fisheries.

Amherst: (1) The importance of double tracking the Intercolonial Railway between Halifax and St. John, N.B.

(2) The need of increased transportation facilities, engines, freight cars, and passenger cars for the Intercolonial Railway.

(3) The importance of the founding a School or University of Technology, that will have the support of the three Maritime Provinces.

Berwick: (1) The necessity for an increased Railway Train Service for that part of the Annapolis Valley lying west of Kentville.

(2) The Dog nuisance, how it may be dealt with.

Bear River.—Revival of Wooden Shipbuilding.—Resolved—In view of the fact that the increased cost of building wooden vessels has materially affected the prosecution of this industry, that great prosperity has in the past attended their construction, and that both industrially and commercially, a great benefit would accrue to every portion of the Maritime Provinces if the general building of wooden ships were revived, and that the employment of this class of tonnage is necessary to the successful carrying on of the trade of the country, it is therefore advisable and necessary that the Federal and Provincial Governments encourage the building of wooden vessels by granting substantial bonus or bounty for the purpose of fostering and aiding this important industry.

Chester: Establishment of a Fisheries Board.—(1) Resolved—That the Board endorses the resolution of the Canadian Fisheries Department to secure a Fisheries Board to control the Canadian Atlantic Fisheries along the lines of the Fisheries Board of Scotland, to act under the Department of Marine and Fisheries.

(2) Protection of River Fisheries of the Province.

North Queens Board: Resolution Re Provincial Parks.—Resolved—That this Board of Trade recommend the establishment of some form of Provincial Parks by the several Maritime Provinces. These would be similar to the Banff and Algonquin Parks. The Muskoka, of Ontario, and the three or four established in Quebec.

The purposes would be Tourist, Game Preserve, Forest Reserve, etc.

The method, appointment of crown lands, purchase and holding of run out leases.

Halifax.—(1) Abrogation Modus Vivendi.

(2) Appointment of a Canadian Atlantic Fisheries Board.

(3) Resolution endorsing recommendation of Colonial Conference for Fast Line to the Orient through Canada.

(4) Bonus to steel shipbuilding.

(5) Winter communication with the Magdalen Islands.

Kentville.—Resolved— That in the opinion of this Board immediate action should be taken by the Federal Government in reference to the export from Canada of unmanufactured logs, pulp and pulp-wood.

Kings County.—(1) Whereas—Arsenic of Lead is taking the place of Paris Green in the extermination of Pests, it is therefore resolved that the attention of the Government be called to this matter, and for it to have the duty of Arsenic of Lead abolished.

(2) The Rebate System is becoming oppressive to the farmers of the Annapolis Valley, therefore, resolved that the Maritime Board of Trade be requested to assist the King's Co., Board of Trade in having the system abolished.

Yarmouth.—(1) The advisability of the Dominion Government taking over the Railway of Western Nova Scotia, and making them a part of the Intercolonial System.

(2) The Lobster Fishery and its preservation.

Sydney.—(1) Running rights of the C.P.R. and other railways over the Intercolonial Railway through Nova Scotia to Sydney.

(2) Federal and Local subsidies for Steamship Service between Sydney, ports in Bras d'Or Lakes on Inverness shore, and Charlottetown and Summerside.