Foreign Banks Cannot Establish Branch Offices in Canada.

These clauses and other prohibitory clauses of the same kind, found in the Bank Act, were aimed chiefly at private parties and small or weak concerns setting themselves up as banks or bankers. The desire of Parliament was to protect the public. It is desired that all parties or associations carrying on banking business in Canada shall procure a Dominion charter and subject themselves to the provisions of the Canadian Bank Act. The clauses also operate to bar British and foreign banks from the Canadian field unless they take out a Canadian charter, and otherwise conform to the banking laws of the Dominion.

On the other hand, Canadian chartered banks are permitted to establish branches and carry on business in sundry foreign countries as well as in Great Britain and in certain British colonies. The Canadian banks have representation by branch or agency in London, England, Paris, France, Newfoundland, the West Indies, Mexico, and in six states of the American union. In New York City a number of the banks have agencies. Branches in that city are out of the question because of the heavy rate of taxation and because of the difficulty of securing authorization from the state government.

We may now proceed to study the geographical position of the individual banks, beginning with the Bank of Montreal.

Bank of Montreal.

The head office of this bank is in Montreal; and it has branch representation in every province of Canada. Following is the record of branches as at the end of 1909, 1910, 1911.