

**Legal Decisions.**

We have resumed in this number the publication of legal decisions, affecting insurance, specially compiled for THE CHRONICLE, by Mr. R. I. MacLennan, of Toronto.

It is also our intention to publish recent legal decisions upon any matters likely to prove interesting to our readers.

**Banking as a Profession.**

At the last annual meeting of the Minnesota State Bankers' Association, the President of the Union National Bank of Chicago, Mr. David R. Forgan, read a paper upon "Banking as a Profession." Mr. Forgan was trained in the Bank of Nova Scotia, and the same institution gave to the First National Bank of Chicago, his brother, Mr. James B. Forgan, as a successor to Mr. Lyman Gage.

Mr. David R. Forgan was born in Scotland. Joining the service of the Bank of Nova Scotia about twenty years ago as a junior clerk, he obtained a thorough knowledge of the routine work, mechanism and methods of one of the best managed banks in Canada before following his brother to the West. Since his departure for the United States, his promotion has been rapid, and the opinions he expresses regarding banking as a profession are those of a successful man with a varied and interesting experience of the dreary drudgery of ledger-keeping and telling, and with much practical knowledge of what he is talking about. Of course, if Mr. Forgan had been, owing to chance, fate, circumstance, or some inscrutable decree of Dame Fortune, condemned to what he calls the "lifelong drudgery" of a bank employe, he might have been unwilling to regard banking as a profession, and perhaps would have declined to view the future through optimistic glasses. However, we gladly reproduce from *The Bankers' Magazine* some extracts from this worthy bank president's excellent paper:—

"Some people think that a bank is a place to put a boy who is no use for anything else. And it must be admitted that very moderate capacity, accompanied by good character, is sufficient to insure his job to many a man who spends his whole life in a bank. He learns to enter the checks in one column of a ledger, the deposits in another, and to strike a balance; and he may jog along on that very comfortably, remaining as innocent of all knowledge concerning the business of banking as the woman who scrubs the bank floor.

But, while this is possible, it is by no means common. The bookkeepers in banks are generally men of more than average intelligence, and it is the greatest drawback to banking as a profession that a majority of those who enter its ranks are of necessity condemned to lifelong drudgery as bank employees, and never become bankers. Unfortunately, this seems to be particularly characteristic of banking in the United States. There are several reasons for it. Our system does not lend itself to the gradual evolution of a banker so well as the branch system. In Canada, for example, a young man soon gets to be teller at a small agency.

If he is capable he will begin to show it in the telling-box, not so much by the rapidity and accuracy of his note counting as by the knowledge of his customers' responsibility, which he will soon acquire and display. From teller to the accountants of a branch is an easy step in advance. In this position he is in charge of the office work; he has joint custody with the manager of all the cash and securities; he is authorized to sign for the bank; all minor questions that arise are referred to him for decision, and thus he begins to use his own judgment, to be clothed with some authority and to assume some responsibility. He ceases to be an irresponsible piece of the bank's machinery, and becomes part of the guiding force of the machine. While not responsible for the loans, he is free to consult with the manager about them and to express his opinion on those he does not himself approve of. If he shows good judgment, independence of thought and self-reliance, he is marked for an agency. When that comes his evolution from bank clerk to banker may be considered complete. He is now in charge of a banking business; he makes or refuses loans; he loses money, perhaps, and gains experience; and, according as he proves himself capable, the business under his care increases or is driven away. It is not uncommon in Canada for a man to attain this position as young as, say, twenty-five. But even then, the first is usually a small agency where the amounts loaned are light, and the important positions come later, when he has shown capacity in the lesser ones. All through these steps of promotion you will notice his employer has been the same, and the ability displayed in minor positions has been noted and rewarded by an employer having many higher positions in his gift."

Upon the question of what are the natural qualifications for a banker, Mr. Forgan speaks with no uncertain sound:—

"But it may be asked, Will training make a banker? No, it will not. If a man has not natural shrewdness, good judgment of human nature, practical common-sense, level-headedness, courage, faith and self-reliance which all go to form that sixth sense by which a banker almost intuitively accepts good loans and rejects doubtful or dangerous ones, he will never successfully fill a managerial position.

"Bankers, like poets, are born, not made. But it is equally true that just as long years devoted to the study of versification, modulation and the choice of words, added to the divine gift of nature, made Tennyson the finished English poet of our century, so training in accounts, exchange collections, discounts and correspondence, added to natural capacity, will make a finished banker capable, as opportunity may develop him, of rising to be the trusted handler of other people's millions.

A born banker will begin learning his business from the day he enters a bank, and go on learning it daily till he dies."

Mr. Forgan's paper should be read by Canadian bankers, if only for the caustic comments therein upon the failure of the larger number of United States banks to realize that active managers of such institutions ought to be thoroughly trained bankers. Again,