

a Bank established in one State is not allowed to have a Branch in another.

The Directors themselves are the best judges with regard to the issue of circulation. It must of course depend upon the average amount of deposits and specie in the Bank. The deposits in any of the Banks in this Province, are small with regard to their capital; and their circulation is also small, seldom exceeding three-fifths of their paid-up capital, and sometimes in less proportion than even that.

I think the Banks might safely be allowed to issue in addition to a Five Pound Note, one for Five Dollars, but not under, and not to a larger extent than would be required for the public convenience.

I have not known any evils to result from Private Banking Associations, or Copartnerships, issuing Notes, although I think the privilege should be confined to chartered institutions.

I approve of the system of voting in the Bank with which I am connected. It varies in some of the other Banks, but not materially.

The statements which the Banks are now required to give, contain I think all the information which the public interests require. They are much more full than those given in Great Britain.

Competition in Banking, has to some extent, led to the practice of paying interest on deposits. It is, however, only on deposits payable at short notice, and not, so far as I am aware, upon deposits at call, or on daily balances at any of the Banks. With us the rate of interest is fixed at 4 per ct. We have never suffered any inconvenience by being called upon to pay at short notice. I see no want of safety in carrying on Banking operations on such deposits.

I know of no means of investing monies in Canada, so as to be renumerative, and at the same time available at call or on short notice.