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SCOTCH BANKS.

The people of Canada are frequently told that our banking system is based on the Scotch banking system. It may be in some features, but the Banks of Scotland, unlike Canadian Banks, pay 8s. 4d. per £100 tax on the issued currency, which is nearly one-half of one per cent., and the Scotch Banks pay a special business tax of \$300 on every head office, \$150 on every branch office, and about \$16,000 per annum per Bank for stamp duty. Altogether the Scotch Banks pay to the Crown nearly \$500,000 per annum for what the Banks of Canada get for nothing.

The Banks of Scotland establish a weekly uniform rate of discount. The stock broker and the exploiter of foreign enterprises are said to pay the same rate charged to the farmers, merchants and manufacturers. There is no double liability on the shareholders, but there is greater security to the Bank creditors, for several of the Banks are unlimited liability to every shareholder, and the remainder of the Scotch Banks have only twenty per cent. of the subscribed capital paid up. *There is no limit to the liability for the redemption of the notes.* The Scotch Banks specially aid farmers and cattle and sheep raisers before harvest and shearing time by discounting joint notes at a rate never exceeding one and one-half per cent. above the Bank of England rate, and only charge interest on the daily debit balance.

In Canada the farmer is the first man to feel the squeeze and the last to receive assistance, and then only after the demands of the large centres have been served.

THE BANK OF ENGLAND.

The Bank of England has to pay interest on all its issued currency over £14,000,000, but for this privilege it pays the Government all the net profit from any excess circulation and which is said to amount to nearly a million dollars per annum. It also pays annually \$300,000 in stamp taxes, gives the public clean bills, and loans the Government of England permanently nearly three hundred million dollars at two and