

States corporations have made important issues of securities in Paris and London and the proceeds thereof have not yet been remitted to this side. However, there is an influential body of opinion in New York which holds that the gold is not needed at present and that it will be better to allow the balances to lie undisturbed until fall, when gold can be brought over. But the speculative cliques, on the other hand, wish to bring the gold now, because they think its coming would help them in their campaign for higher prices of stocks.

In Canada there is but little change in monetary conditions, in spite of the well advertised offering of \$1,000,000 at 5 p.c. by a well-known financier in this city. Call loans are still held generally at 5½ p.c. There is no doubt the banks have quite a problem before them in the financing of the 1911 wheat crop. And they are naturally disposed to make timely preparations for that work in so far as they are able. The CHRONICLE considers that there should be a large increase in the capital of the banks and a special article giving the chief reasons will be published very shortly.

BANK NOTE STATISTICS.

In the monthly government returns the particulars of the bank notes in circulation are given, but no mention is made of the amount of bank notes held by the banks in their tills ready for issue. It is one of the advantages of a system of plural note issue, such as Canada possesses, that it permits the banks to provide themselves with till-money without locking up funds which are needed by commercial borrowers. Thus each Canadian bank holds at all times a considerable amount of its own notes in the tills at the branches no matter how much may be its outstanding circulation. The Bankers' Association return of note circulation gives the details of these holdings. It will be seen that the total of the notes in circulation must be added to the notes carried in the tills to arrive at the amount of bank notes in service and in reserve. The following table shows the changes during the past two years:—

1909	Bank Notes Outstanding.	Signed Bank Notes on hand.	Total.
January	\$67,816,582	\$76,910,882	\$142,727,464
February	67,845,704	76,308,325	143,654,029
March	6,8705,795	76,154,220	138,860,015
April	67,264,005	74,142,492	141,406,497
May	68,590,625	73,431,952	142,022,577
June	70,167,836	69,541,583	139,709,419
July	71,003,402	69,356,391	140,359,793
August	71,845,989	68,901,459	140,746,548
September	79,204,993	63,797,142	143,002,135
October	89,631,544	58,653,129	148,286,673
November	86,388,264	63,273,090	149,661,354
December	81,323,103	68,970,540	150,293,643
1910.			
January	79,376,149	75,086,029	148,462,178
February	74,835,767	73,691,648	148,437,415
March	78,391,915	69,457,653	147,849,568
April	78,808,242	69,948,651	148,756,893
May	77,220,375	72,575,750	149,796,125
June	79,803,709	73,158,968	152,962,677
July	80,944,438	74,006,598	154,951,036
August	81,339,744	75,490,788	156,830,532
September	87,274,771	72,770,694	160,045,465
October	96,009,461	66,280,930	162,290,391
November	90,183,025	75,180,724	166,363,749
December	88,249,362	75,836,933	164,086,295

It is to be noted that the figures of the note circulation here given do not correspond exactly with the figures given in the government statements. The explanation is that these figures include the circulations of some failed banks that do not appear in the government returns.

As the circulation in the hands of the public increased, the banks have found it necessary or desirable to increase the amount of notes held as till money. At the end of the period there were of notes in circulation and on hand (signed) roughly \$21,300,000 more than at the beginning of the period. It is to be noted that in addition to the supplies of their own signed notes on hand, the banks held a varying quantity of unsigned notes. These ranged from \$10,000,000 to \$15,000,000.

During the two year period, according to the above table, the average amount of notes outstanding was \$78,071,912; the average amount of notes outstanding and on hand, \$149,231,769. It will now be interesting to study the record of notes destroyed. The wear and tear on the notes in use is very considerable and the tellers of all the banks are required to cull out the dirty, worn, or torn notes and to forward them to the head offices where they are destroyed by the directors from time to time. The record of notes destroyed is as follows:—

	Bank Notes Destroyed, 1909.	1910.
January	\$3,275,074	\$3,180,710
February	1,938,690	4,403,728
March	3,198,795	4,105,619
April	5,808,729	3,979,184
May	2,905,420	2,503,929
June	4,556,069	2,765,934
July	1,111,454	1,620,701
August	1,890,350	1,269,385
September	2,609,813	2,071,651
October	1,531,021	4,646,496
November	4,878,426	3,965,703
December	3,957,913	3,484,422
	\$37,751,154	\$37,997,462

Thus in the two years the notes destroyed had a face value of \$75,748,616. This is nearly equal to the average of the notes outstanding. One might conclude from these figures that in order to maintain outstanding a circulation of \$78,071,912 it is necessary to replace practically the whole amount with new notes once in two years. But a more satisfactory conclusion is arrived at by taking account also of the notes on hand unissued. These are handled and are subject to wear and tear as well as the others; and in the case of each bank, a considerable portion of its own notes reported as on hand at the end of the month will have been in circulation at some time during the month. So, one might say, that with an average amount of notes in use of \$149,231,769, it will be necessary to replace half of them once in two years, and that it will be necessary to replace the whole amount in four years. Thus one arrives at the conclusion that the average life of a bank note in Canada is four years. Among bankers a general impression