

JOURNAL
OF THE
CANADIAN BANKERS'
ASSOCIATION

APRIL—1896

THE LAND MORTGAGE COMPANIES, GOVERN-
MENT SAVINGS BANKS AND PRIVATE
BANKERS OF CANADA

THERE is perhaps no other country where the credit system has been so thoroughly developed as in Canada. What is meant here by the credit system is not merely that which is commonly understood by that term in the commercial world, whereby an individual is able to obtain possession of goods on his undertaking to pay for them at some future time, but the mechanism which collects and manipulates individual credit, and also creates credit of its own. The chief parts of this mechanism in every country are formed of institutions whose main business it is to gather into masses the casual or more permanent surpluses of individuals, and distribute them again to meet the needs of other individuals, or of the public as a whole. The efficiency of the system depends not only upon the thoroughness with which idle wealth is collected, but also upon the principles which govern its application to the development of the industries and natural resources of the country, as well as upon the regulations which control the credit created. The