

the banks?" Why should it ever have been parted with? Many other people also wish to know how Canada to-day happens to be the only country that is in the position of allowing private banks to issue the currency. Let us answer as best we can. In the early days of this country, say, seventy years ago, when banks were first talked of, there was a great scarcity of money and still more of credit, and the Government of that day were willing to do almost anything to get banks established, to get more currency, and some kind of improved system of exchange organized. Parliament of that day, under the circumstances, practically allowed the banks "to write their own charters," and this phrase, "to write your own charter," has become rather notorious if not historical in the records of this North American continent, and in the records of all our Legislatures. In far too many cases have charters been written by the parties who got them.

The Legislature was either careless or more than anxious to get some kind of service, and allowed the charter to go through on the terms of the parties receiving it. In consequence of this situation, the right to issue bank notes, while it may have been of little concern then, ought to be of the highest concern to-day; and while Parliament reserved the right to revise the bank charters every ten years, the unfortunate fact is that the rights of the banks have been increased each time the charters were revised, and in no instance was this more flagrant than in the revision of two years ago!

As the banks grew in strength and their profits increased, and as they were organized on the lines of strengthening their privileges, they did not like the idea of postal savings banks, they did not like the idea of postoffice money orders, postal orders; and they deliberately intimidated the Government and Parliament whenever it was proposed to increase the interest on deposits in Government Savings Banks and in the postoffice; and they also looked with dread on the issue of Dominion notes, which were practically a national currency; and when they could not head this off completely they were able to limit the issue of Dominion notes to \$1 and \$2 bills, with some others of very large denominations, used principally as counters in the banks, rather than for everyday currency.

But since the time that Canada has organized her chartered banks and gave them these great privileges other countries have been following a quite different line and have been gradually and steadily coming to the practice of the State issuing the currency, whether of coin or of notes—withdrawing bank-note issues and substituting therefor national currency. This has been worked out in France, in Germany, in Russia, in Italy and many other countries, including those of South America, and notably in the case of Australia and some of the British possessions. The United States has spent the last