

Part pay-
ment to be
in Domi-
nion notes.
11. Any bank, when making payment, is compelled, if requested, to pay the same, or part thereof, not exceeding one hundred dollars, in Dominion notes, for \$1, \$2 or \$4 each.

Advertise-
ments on
notes,
illegal.
12. Penalties are provided for placing anything in the shape of an advertisement on a note, and for issuing advertisements in the form of notes.

When a
bank may
not lend.
13. No bank may lend money on its own shares or on those of any other bank, or upon mortgage of real estate, or on the security of any goods, wares or merchandise, except as collateral security.

Real
estate.
Rate of
interest.
14. Except as required for its own use, no bank shall hold any real estate for a longer period than seven years. Any rate of interest may be charged and allowed, but not more than seven per cent can be recoverable.

Returns to
Govern-
ment.
15. Monthly returns signed by the chief accountant, the acting president and the manager shall be made to the Minister of Finance within the first fifteen days of each month, subject to a penalty of \$50 for each day's delay, such returns to be made in the form provided by the Act. Special returns may be required by the Government at any time. All Government cheques are payable at par.

Private
banks.
16. No person may use the title of "bank," "banking company," "banking house," "banking association" or "banking institution," unless authorized by this or some other Act of Parliament.

Number of
incorpor-
ated banks.
696. There were 38 incorporated banks that made returns to the Government on 30th June, 1891, distributed as follows: 10 in Ontario, 14 in Quebec, 8 in Nova Scotia, 3 in New Brunswick, and 1 each in Manitoba, British Columbia and Prince Edward Island. The banks are assigned to the provinces according to the situation of their head offices, but many of them have branches all over the Dominion.

Renewal
of bank
charters.
697. The charters of 36 only of the above banks were continued by the new Bank Act, the Bank of British North America and the Bank of British Columbia being incorporated by Royal Charter in England. All provisions, however, relating to reserves, issue, &c., of notes, making loans and making returns to Government, apply to those two banks. The Merchants Bank of Prince Edward Island at present operates under a local charter, which will expire in 1892.

Bank
statement,
1890 and
1891.
698. The following is a comparative statement of the assets and liabilities of the various banks in Canada on the 30th June, 1890 and 1891.

* Previous to this provision, a discount was charged in Ontario and Quebec on Nova Scotia, New Brunswick and Prince Edward Island notes, and in British Columbia on notes of eastern banks.