

## CHAPTER XI.

## BANKS AND SAVINGS BANKS.

901. The denominations of money in the currency of Canada were declared by the Act 34 Vic., chap. 4, to be dollars, cents and mills, there being 100 cents in a dollar and 10 mills in a cent. By the same Act the British sovereign, as then coined, was declared to be legal tender for  $\$4.86\frac{2}{3}$ . Canadian  
currency.

902. Silver coins struck by order of Her Majesty for circulation in Canada were declared to be legal tender to the amount of ten dollars, and copper coins, similarly struck, to the amount of twenty-five cents. The gold eagle of the United States was also declared to be legal tender for ten dollars, and multiples and halves of the same for proportionate sums. Silver and  
gold coins.

903. The coins in circulation in Canada are silver fifty, twenty-five, twenty, ten and five-cent pieces, and bronze one-cent pieces, all of which are struck in England. No twenty-cent pieces have been coined for a considerable time, and they are gradually disappearing from circulation. Canada has no gold coinage of its own; but, as stated above, British and American gold pieces pass current. The issue of specie is controlled by the Dominion Government. Coins in  
circulation

904. The notes issued exclusively by the Government are of the denominations  $\$4$ ,  $\$2$ ,  $\$1$ , and twenty-five cents fractional paper currency, no bank in the Dominion being allowed to issue notes for a less sum than five dollars, or for any sum not being a multiple of five dollars. Dominion notes may be issued under the authority of the Governor in Council to an extent not exceeding  $\$20,000,000$ . In December, 1892, the circulation of Government notes reached the highest point in its history, viz.,  $\$18,808,607^*$ , and under the authority noted above, an order was passed to issue notes up to the limit of  $\$20,000,000$ . Whether this limit should be extended is a question likely soon to occupy the attention of the Government. About  $\$10,000,000$  of this circulation are in notes of  $\$500$  and  $\$1,000$ , and are principally used as security deposits by companies; the increase has been in the notes of smaller denomination. In order to secure the redemption of Dominion notes, the Minister of Finance is required to hold, in gold and securities guaranteed by the Imperial Government, a sum equal to twenty-five per cent of the amount issued, fifteen per

\* This amount has since been exceeded.