

cent in gold and ten per cent in guaranteed securities, the remaining seventy-five per cent to be covered by Dominion debentures issued by authority of Parliament. On 31st December, 1892, there were held :

Specie	\$ 6,563,191
Guaranteed debentures	1,946,667
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	\$ 8,509,858
Unguaranteed debentures	15,000,000
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	\$23,509,858

being an excess of the amount required to be held of \$3,807,706 in specie and guaranteed debentures and of \$893,545 in unguaranteed debentures. If Dominion notes should at any time be issued in excess of the amount authorized, gold for the redemption of the notes is to be held to the full amount of such excess. Officers to superintend the distribution of specie and Dominion notes to the several banks are, under the title of Assistant Receiver-General, appointed in each of the cities of Toronto, Montreal, Halifax, St. John, N.B., Victoria, B.C., and Charlottetown.

- The Bank Act. 905. The chartered and incorporated banks of the Dominion are regulated by The Bank Act, 53 Vic., chap 31, of which the following are among the principal provisions :—
- Capital stock. 1. The capital stock of any bank hereafter incorporated shall be not less than five hundred thousand dollars, in shares of one hundred dollars each.
- Amount to be subscribed and paid up. 2. Five hundred thousand dollars must be subscribed, and two hundred and fifty thousand dollars paid to the Minister of Finance, who is also Receiver-General, and a certificate of permission obtained from the Treasury Board* before business can be commenced.
- Stock to be held by directors. 3. Bank directors must hold capital stock as follows :—on a paid-up capital stock of \$1,000,000 or less, stock on which \$3,000 has been paid up ; on a paid-up capital stock of over one and not over three million dollars, stock on which \$4,000 has been paid up ; and on a paid-up capital of over \$3,000,000, stock on which \$5,000 has been paid. A majority of the directors must be British subjects.
- Change in capital stock. 4. The capital stock may be increased or reduced by the shareholders, subject to the approval of the Treasury Board.
- Limit to dividends. 5. No dividends or bonus exceeding eight per cent per annum shall be paid by any bank, unless, after deducting all bad and doubtful debts, it has a reserve fund equal to at least thirty per cent of its paid-up capital.
- Proportion of cash in Dominion notes. 6. Every bank shall, subject to a penalty of \$500 for each violation, hold not less than forty per cent of its cash reserve in Dominion notes.

*The Treasury Board consists of the Minister of Finance and any five Ministers, appointed from time to time by the Governor General in Council, with the Deputy Minister of Finance as secretary.