

Specie and Dominion notes. 917. The proportion of specie and Dominion notes, on the same dates, to the assets, was, in 1889, 6·40 per cent, in 1890, 6·24 per cent, in 1891, 6·46 per cent, and in 1892, 6·13 per cent; and to the liabilities, 9·35 per cent, 9·11 per cent, 9·24 per cent, and 8·56 per cent respectively; while the proportion of the same to the notes in circulation was, in 1889, 52·42 per cent, in 1890, 49·37 per cent, in 1891, 55·54 per cent, and in 1892, 54·96 per cent.

Reserve. 918. The total amount of reserve held by the banks on the 30th June, 1892, was \$24,662,336. No returns of this fund were made previous to 1883, when an amendment to the Bank Act, requiring them, was passed, and since then the amount held in June in each year has been:

1883	.....	\$	17,492,718	1888	.....	\$	18,686,215
1884	.....		18,379,129	1889	.....		19,966,999
1885	.....		17,784,433	1890	.....		21,094,034
1886	.....		17,690,141	1891	.....		23,007,679
1887	.....		17,600,297	1892	.....		24,662,336

Rate of interest. 919. The rate of interest allowed on deposits by the banks is, at present, in most cases, 4 per cent.

Rates of discount. 920. The average rate of discount on local bills was the same as in 1891, the tendency, if any, being towards lower figures than those quoted.

RATES OF DISCOUNT ON LOCAL BILLS.

YEAR.	Average rate of Discount.
1878	7½ per cent.
1885	7 “
1890	6½ “
1891	6 to 7 “

The above figures are for the city of Montreal, in which place, as well as in Toronto and other commercial centres, discount rates are, as a rule, from one to two per cent lower than they are in country towns; and, moreover, in cities, rates are more frequently graded according to the standing of customers. As far as has been learned, the custom does not prevail in Canada to the same extent as in many other countries, of regulating the rate according to the date of the bill, and though sometimes an additional one per cent may be charged on bills over six months, as often as not no distinction is made.

Sterling exchange. 921. The rates of sterling exchange fluctuate, as is well known, very considerably, and it is difficult to lay down any figures represent-