

which most completely gathers up these savings and places them at the disposal of the borrowers is the best. It is to be remembered that this involves the savings of one slow-going community being applied to another community where the enterprise is out of proportion to the money at command in that locality. Now, in Canada, with its great banks with thirty and forty branches, we see the deposits of the saving classes applied directly to the country's new enterprises in a manner nearly perfect. The Bank of Montreal borrows money from depositors at Halifax and many points in the Maritime Provinces, where the savings largely exceed the new enterprises, and it lends money in Vancouver or in the North-west, where the new enterprises far exceed the people's savings. In what other country is such a splendid development of banking to be seen as that involved in transferring the idle money of the Atlantic towns and cities to the new centres of enterprise on the Pacific? My own bank,* in the same manner, gathers deposits in the quiet, unenterprising parts of Ontario and lends the money in the enterprising localities, the whole result being that thirty-eight business centres, in no case having an exact equilibrium of deposits and loans, are able to balance the excess or deficiency of capital, economizing every dollar, the depositor obtaining a large rate of interest and the borrower obtaining money at a lower rate than borrowers in any of the other colonies of Great Britain, and at a lower rate than the United States, except in the very great cities in the east. So perfectly is this distribution of capital made that as between the highest class borrowers in Montreal or Toronto and the ordinary merchant in the North-west the difference in interest paid is not more than 2 per cent."

The New York *Daily Commercial Bulletin*, referring to the Canadian banking system, says: "We know of no system that more closely conforms to the best and broadest economic ideals of banking; none better calculated to afford the largest possible public accommodation; none better adapted to insure a safe utilization of the surplus balances of the people, and none better qualified to supply the daily fluctuating wants of trade with a safe and convenient circulating medium." Breckenridge, in *The Canadian Banking System*—a compilation of material connected with the Banks of Canada not without a certain value—repeats the resumé of the advantages of the Canadian banking system, and says these are: 1st, the collection and distribution of loanable capital from and to different parts of the country, accomplished at the minimum of expense and with the maximum of thoroughness; 2nd, the ample facilities afforded to small towns, isolated borrowers and the country generally; 3rd, the certainty of regular profits through the risks of investment being widely distributed and varied; 4th, the greater opportunities for expanding the note circulation, and 5th, the centralization of bank management insuring more impartial administration of the lending powers of the banks.

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