

cents, \$1, \$2, \$4, \$5, \$50, \$100, \$500, \$1,000. In addition, "special" notes of the denominations of \$500, \$1,000 and \$5,000 are issued for use between banks only, the purpose being to safeguard against theft. Table 31 shows how the different denominations have run during the past six years in the circulation. Dominion notes are redeemable in "specie," which practically means gold, silver being legal tender only to the amount of \$10. Table 32 gives the main statistics of Dominion note circulation and the reserve on which it has been built since 1890.

**Bank Notes.**—The circulating medium chiefly in use in Canada is in the form of bank notes. Under the Canadian Bank Act, the banks are authorized to issue notes of the denomination of \$5 and multiples thereof to the amount of their paid-up capital. These notes are not legal tender. In case of insolvency, however, the notes of a bank are a first lien upon the assets. They are further secured, in case of insolvency, by the Bank Circulation Redemption Fund, to which all banks contribute on the basis of 5 p. c. of their average circulation. In addition, during the period of the movement of the crops (September 1 to February 28-29), the banks may issue "excess" circulation to the amount of 15 p.c. of their combined capital and "rest or reserve," i.e., surplus funds. In the event of war or panic the Government may permit the "excess" to run all the year. The banks pay interest on the excess at 5 p.c. If the bank desires to exceed its circulation it may do so since 1913 by depositing dollar for dollar in a central gold reserve. The figures of bank note circulation are given in Table 33. Table 34 brings together the results obtained above as to the quantity of the circulating medium in the hands of the Canadian public.

**27.—Coinage at the Ottawa Branch of the Royal Mint in the Calendar Years 1913-17.**

Description of Coins.	1913.		1914.		1915.
	Struck.	Issued.	Struck.	Issued.	Struck.
Gold Sovereigns.....	3,715	3,742	14,891	9,077	-
	or \$18,079.67	or \$18,211.08	or \$72,469.53	or \$44,174.72	-
	\$	\$	\$	\$	\$
Gold—Canadian \$5's	471,700	471,720	145,545.00	145,595.00	-
"    "    \$10's	1,418,920	1,418,970	1,354,030.00	1,354,110.00	-
Silver.....	1,316,541.35	1,175,000	843,244.05	734,002.00	184,548.60
Bronze.....	57,333.72	55,600	34,039.37	35,100.00	48,369.66