

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 denominations 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 gold or Dominion notes in a central gold reserve. The figures of bank note circulation are given in Table 32. 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 1917-19.

Description of Coins.	1917.		1918.		1919.	
	Struck.	Issued.	Struck.	Issued.	Struck.	Issued.
Gold Sovereigns.....	58,845	187	106,516	130,768	135,889	171,042
	or	or	or	or	or	or
	\$286,379.00	\$910.07	\$518,377.87	\$636,404.24	\$661,326.47	\$832,404.40
Gold—	\$	\$	\$	\$	\$	\$
Canadian \$5's	—	—	—	—	—	—
\$10's	—	—	—	—	—	—
Silver.....	1,951,168.10	1,862,200.00	2,258,744.55	2,402,000.00	3,195,878.15	3,258,044.10
Bronze.....	117,387.18	116,900.00	130,849.83	131,817.00	112,013.47	115,100.00

In addition to the above coinages, the following were executed for the Governments of Newfoundland and Jamaica:—

	1917.	1918.	1919.
Newfoundland —Silver.....	\$240,000	\$245,000	\$200,000
Bronze.....	\$7,000	-	\$3,000
	£	s. d.	£ s. d.
Jamaica —Cupro-nickel.....	1,515	9 7½	2,061 14 1