

2.—Circulating Media in the Hands of the General Public, calendar years, 1900-32.

NOTE.—Includes till money in the hands of the banks. See p. 888.

Cal-endar Year.	Silver. ¹	Nickel. ¹	Brooze. ¹	Bank Notes. ²	Dominion Notes, ² \$1, \$2, \$4, \$5, and Fractionals. ³	Totals.		
						Amount.	Per capita.	Index Number per capita. ⁴
	\$	\$	\$	\$	\$	\$	\$	\$
1900...	7,911,998	-	635,429	46,574,780	9,997,044	65,119,251	12.28	100
1901...	8,279,924	-	676,429	50,601,205	10,595,169	70,152,727	13.06	106
1902...	9,053,924	-	706,429	55,412,598	11,442,138	75,615,089	13.76	112
1903...	9,687,774	-	746,429	60,244,072	12,221,172	82,999,447	14.69	120
1904...	10,037,774	-	771,429	61,769,898	12,813,912	85,393,003	14.65	119
1905...	10,487,774	-	791,429	64,025,643	13,499,894	88,804,740	14.80	121
1906...	11,295,235	-	832,429	70,638,870	14,797,483	97,564,017	15.74	128
1907...	12,459,235	-	894,429	75,784,482	15,973,227	105,111,373	16.39	134
1908...	12,527,776	-	886,933	71,401,697	15,618,082	100,430,588	15.16	123
1909...	13,176,476	-	925,333	73,943,119	16,235,774	104,280,702	15.83	125
1910...	14,372,662	-	967,353	82,120,303	18,098,111	115,513,429	16.52	135
1911...	15,670,663	-	1,021,628	89,982,223	21,497,429	125,171,943	17.78	145
1912...	16,973,900	-	1,041,605	100,146,541	27,277,311	145,469,387	19.68	152
1913...	17,901,031	-	1,127,177	105,265,336	29,067,278	153,360,822	20.09	164
1914...	18,527,229	-	1,162,234	104,600,185	26,984,063	151,253,711	19.19	156
1915...	18,588,573	-	1,212,588	105,137,092	25,881,570	150,819,823	18.89	154
1916...	19,768,089	-	1,323,234	126,691,913	27,857,543	175,640,770	21.94	179
1917...	21,559,030	-	1,440,034	161,029,606	31,221,311	215,249,981	26.71	218
1918...	23,888,121	-	1,571,811	198,645,254	34,146,836	258,252,022	31.68	258
1919...	27,084,148	-	1,686,822	218,919,261	35,492,643	283,162,874	34.08	278
1920...	28,384,850	-	1,895,783	228,800,379	37,272,725	296,353,737	34.63	282
1921...	28,344,569	-	1,956,326	194,621,710	33,825,582	258,748,277	29.44	240
1922...	28,151,444	69,000	1,968,968	156,466,109	31,588,024	228,542,645	25.62	209
1923...	28,062,347	196,000	1,987,186	170,420,792	33,387,155	234,043,480	25.98	212
1924...	27,863,502	270,488	1,998,616	166,136,765	34,332,178	230,691,549	25.23	205
1925...	27,713,019	398,471	2,020,470	165,235,188	32,175,284	227,540,412	24.49	200
1926...	27,433,463	564,865	2,043,833	168,885,995	32,675,174	231,603,330	24.51	200
1927...	27,104,534	813,784	2,080,196	172,100,763	33,889,474	235,788,751	24.47	199
1928...	27,737,963	1,063,627	2,171,657	176,715,979	35,093,625	242,793,302	24.69	201
1929...	28,638,195	1,330,498	2,290,789	178,291,030	36,811,966	247,362,478	24.66	201
1930...	28,562,330	1,494,525	2,297,405	159,341,085	36,431,368	228,126,713	22.35	182
1931...	28,706,348	1,775,139	2,346,054	141,969,350	36,465,462	211,262,353	20.36	166
1932...	28,853,740	1,939,923	2,558,962	132,165,942	38,788,027	204,306,594	19.45	158

¹Figures supplied by the Mint as at Dec. 31 of each year, are the net issues of coinage since 1858 (see Table 4, pp. 884 and 885).

²Yearly averages.

³Dominion notes of larger denominations in hands of banks are not included, but provincial notes, amounting to \$27,594 in 1932, are included.

⁴Per capita circulation in 1900=100.

Section 2.—Banking in Canada.

Historical.—In the early days of banking, one of the chief functions of banks was to issue promissory notes payable to the bearer on demand; where the bank's credit was good these notes passed freely from hand to hand, and were the chief circulating medium in the Canadas. In some cases in the Maritime Provinces bank notes were preferred to those issued by the Provincial Governments.

The need of a uniform circulating medium in Canada was felt by the merchants of Montreal toward the end of the eighteenth century, and the prospectus of a proposed bank of issue to be known as the Canada Banking Company was issued in 1792. This scheme, however, depended chiefly on the co-operation of British capital and was frustrated by the outbreak of war with France. A second project in 1808 for the incorporation of a Bank of Canada failed to secure the assent of the Legislature of Lower Canada.