

THE PLACE OF THE BANKS IN CANADIAN HISTORY

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II.

The agitation for proper banking facilities in Canada began very early after the Conquest. As early as 1767, the scarcity of coinage led an enterprising auctioneer of the city of Quebec to petition, with the self-assurance of his profession, for a monopoly of the right of issuing promissory notes as a substitute for fractional currency. Needless to say, the petition was not granted; but the agitation was revived later. As the wealth and trade of the colony grew, it was found to be a hardship that there existed no machinery by which the funds of the community could be concentrated for particular undertakings.

Especially after the Bank of the United States, established by Alexander Hamilton in 1793, had proved a success, the project of a Canadian bank was mooted time and again. Both public opinion and officialdom, however, were difficult to convince; and it was only after the country had had experience of the Army bills during the War of 1812 that the history of Canadian banking really began.

The establishment of a Canadian banking system in 1822 without doubt gave a very considerable impetus to Canadian trade and industry in the years that followed. It is a truism to say that the Canadian banks have played a vital part in the economic development of the country. The stability of the Canadian banking system has seen Canada through many financial crises; and while there may be room for a difference of opinion as to whether the Canadian system encourages local enterprise as, let us say, the American system does, I do not think that anyone will deny that the Canadian banks have played a crucial part in "building up Canada."

It is not, however, the place of the banks in Canadian economic history to which I wish to refer especially; it is rather the part which they have played in political and general history. To-day the banks steer clear of politics. Such, however, has not always been the case. In the years preceding the Rebellion of 1837, the banks—in Upper Canada and Nova Scotia, at least—were very much in politics. Take, for instance, the case of the Bank of Upper Canada, the first chartered bank in this part of the country. The Bank of Upper Canada was the child of the Family Compact. Of the fifteen members of its first board of directors, nine sat in either the Executive or Legislative Council, or held important government positions, and most of the rest were found in similar positions shortly afterwards. Indeed, the bank owed its charter to a deliberate and cold-

blooded "steal" on the part of the Family Compact. The charter was originally applied for by the partners of a private bank which had been formed in 1818 in Kingston, which was then the most important commercial centre in Upper Canada; but when the bill granting a charter to this bank was going through the legislature, some of the members of the governing clique in York (as Toronto was then known) awoke to its possibilities, and conceived the brilliant idea of appropriating the charter to themselves. A few trifling changes were made in the bill; among other things the names of a number of members of the Family Compact were substituted for the names of the partners in the Kingston bank. As a result, the Kingston bank found itself not only cheated of its charter, but forced to face what was really the competition of a government bank at the provincial capital. Under these circumstances, it was inevitable that the Bank of Upper Canada should have come in for a good deal of the odium gathering at that time about the devoted head of the Family Compact itself. It was complained that it discriminated against opponents of the Family Compact—and perhaps there was some truth in the charge, for the credit of William Lyon Mackenzie and some of his political associates was not perhaps all that might be desired. Certainly, the Reformers did not on the whole enjoy the financial standing of the members of the ruling class, and when they were refused at the hands of the bank the accommodation given to people like the Robinsons and the Boultons they would naturally regard the discrimination against them as political in its motive.

So great was the hostility felt toward the Bank of Upper Canada that in 1835 the Reformers established a bank of their own, the Commercial Bank, under the management of a young English radical named Francis Hincks—afterwards Sir Francis Hincks, and prime minister of United Canada. The Commercial Bank was, in fact, the answer of the Reformers to the attempted monopoly of the government bank. So high did feeling run that in 1837, shortly before the Rebellion of that year, William Lyon Mackenzie actually tried to ruin the Bank of Upper Canada by engineering a "run" on it. He got his political friends to go to the bank one day, and demand the withdrawal of their deposits in gold or silver. It was a time of severe financial panic, not only in Canada but also in the United States and Great Britain, and the run on the bank promised to be a very serious matter. The bank, however, rose to

the situation. They got wind of the conspiracy, and they met it by a stratagem which shows that the members of the Family Compact, whatever else they may have been, were not fools. They lined up the counter of the bank with their own friends, and they paid out silver to these depositors, very slowly, in a very leisurely manner, and then, when night came, they trundled the money back to the bank in wheel-barrow. The next day the same process was repeated, and thus the bank staved off the evil hour when its reserves would be exhausted. Confidence in the bank's ability to pay in gold and silver revived, and the run petered out. The bank was saved; and Mackenzie, having failed to ruin the Family Compact through its pocket-book, proceeded to try to ruin it through armed rebellion.

A similar situation prevailed in Nova Scotia. There the board of directors of the Halifax Banking Company was all but identical with the membership of the Council of Twelve, which was the Nova Scotian equivalent of the Family Compact in Upper Canada; and the Halifax Banking Company became the object of the same political animosity as the Bank of Upper Canada. On the other hand, just as the Commercial Bank was the child of the Reform party in Upper Canada so the Bank of Nova Scotia was the child of the Reform party in Nova Scotia.

(Concluded next week.)

The Lilies of the Field.

When I went up to Nazareth—
A pilgrim of the spring—
When I went up to Nazareth
The earth was blossoming!
I saw the blue flower of the flax
Beside a shepherd's fold!
Along the hillside's stony tracks
I found the marigold!
The iris raised a shimmering spire
Of beauty at my feet!
The poppy was a cup of fire
Among the cooling wheat!

When I went up to Nazareth
I marked how time came down
With blighting dust and withering
breath
Upon the hallowed town!
The years that buried Babylon
Were drifting to efface
The steps of Mary's Heavenly Son,
His dwelling and his race!
But still I read his permanence
By signs that never dim;
With all their ancient eloquence
The lilies spoke of Him!

—Daniel Henderson.

The Green Mist.

When the green mist begins about the
trees,
There is a freshness in the morning
air;
New life wakes in the blood, and
everywhere
Burgeons earth's beauty, borne on
every breeze.

Hark to the robin, swinging on the
bough,
His red breast bursting with its
music glad,
The sparrow's chatter, and the blue-
bird's call;
With all this melody who can be
sad?

We should be glad in spring, when
darkness flees,
For One who broke the saddest,
darkest bond
Rose in the springtime to His
heaven beyond
When the green mist began about the
trees.

—Mary Archer Knapp.

Interesting University Bulletins.

The Alumni Federation of the University of Toronto has just issued the first three of a series of very attractive bulletins on the work of the Provincial University and its need of an augmented revenue. The first of the series deals with the University's province-wide extension service consisting of extension lectures, correspondence and extra-mural courses, short courses for farmers, journalists, housewives, and town-planners, rural and urban tutorial classes, evening courses for industrial laborers and for the general public. The second bulletin deals with research and points out that teaching is only part of the work of a modern university while research, though not generally understood, is a most important service to the province. In this connection several research problems are mentioned, notably the one on diabetes, and the statement is made that more than two hundred problems are now under investigation in the University's laboratories. In the third bulletin post-graduate work is discussed and the importance is stressed of so providing for this type of work that the potential leaders of this country shall not be driven to the United States for the type of specialized knowledge and training which is necessary to make them experts in their professions. Important developments of this work are forecasted and commercial firms

MONTREAL.

Oats, Canadian Western, No. 2, 63c; do., No. 3, 59c. Flour, Man. Spring wheat pats., firsts, \$8.50. Rolled oats, bags, 90 lbs., \$3. Bran, \$32.50. Shorts, \$33. Hay, No. 2, per ton, car lots, \$29 to \$30.
Cheese, finest Westerns, 16½ to 16¾c. Butter, choicest creamery, 41 to 42c. Eggs, selected, 35c. Potatoes, per bag, car lots, 90 to 95c.
Spring lambs, \$8; sheep, \$7; calves, \$5.75 to \$6.50; hogs, selected, \$14.

TORONTO.
Manitoba wheat—No. 1 Northern \$1.50.
Manitoba oats—No. 2 CW, 58c; extra No. 1 feed, 54½c; No. 1 feed, 55c.
Manitoba barley—Nominal.
All the above track, Bay ports.
American corn—No. 2 yellow, 75c; No. 3 yellow, 73¾c, all-rail.
Barley—No. 3 extra, test 47 lbs. or better, 63 to 65c, according to freights outside; feed barley, 60c.
Buckwheat—No. 3, 98c to \$1.02.
Rye—No. 2, 95c to \$1.00.
Millfeed—Delivered, Montreal freight, bags included; bran, per ton, \$28.00 to \$30.00; shorts, per ton, \$30 to \$32; good feed flour, \$1.70 to \$1.80.
Baled hay—Track, Toronto, per ton, extra No. 2, \$22 to \$23; mixed, \$18 to \$19; clover, \$14 to \$18.
Straw—Car lots, per ton, track, Toronto, \$12 to \$13.
Ontario wheat—No. 1 commercial, \$1.36 to \$1.43, outside.
Ontario No. 3 oats, 40 to 45c, outside.
Ontario corn—53 to 60c, outside.
Ontario flour—1st patents, in cotton sacks, \$8.70 per barrel; 2nd patents (bakers), \$7.20. Straights, in bulk, sea board, \$6.40.
Manitoba flour—1st patents, in cotton sacks, \$8.70 per barrel; 2nd patents, \$8.20.
Cheese—New, large, 20 to 20½c; twins, 20½ to 21c; triplets, 21 to 21½c. Fodder cheese, large, 18½c. old, large, 25 to 26c; twins, 25½ to 26½c; triplets, 26 to 27c; Stiltons, new, 24 to 25c.
Butter—Fresh dairy, choice, 26 to 30c; creamery, prints, fresh finest, 44 to 46c; No. 1, 43 to 44c; No. 2, 40 to 41c; cooking, 22 to 25c.
Dressed poultry—Spring chickens, 30 to 35c; roosters, 20 to 25c; fowl, 24 to 30c; ducks, 35c; turkeys, 45 to 50c; geese, 25c.
Live poultry—Spring chickens, 22 to 28c; roosters, 17 to 20c; fowl, 24 to 30c; ducks, 38c; turkeys, 45 to 50c; geese, 20c.
Margarine—20 to 22c.
Eggs—New laid, candled, 32c; new laid, in cartons, 35c.
Beans—Canadian, hand-picked, bushel, \$4.40; primes, \$3.85 to \$4.00.
Maple products—Syrup, per Im-

The Tardy Lily

By Edith Ludwell Laurence



ALL through the early spring Gwen had watched her plant anxiously. Would it turn into a lily at the right time? It might blossom too soon, which would be dreadful; or, worse still, it might blossom too late or not at all.

"Be good, flower," begged Gwen. "Don't wait too long to bloom. When I am late for school I get a black mark; don't be late, either, 'lily!'"

The plant stood straight and green and silent; there was no way of telling what it intended to do. What it should do of course, was to come to full bloom the day before Easter, because on Easter Day, if it were ready, it would be carried by Gwen to the children's service and placed in the chancel with dozens of other potted plants. Every child in the neighborhood was growing a plant for that purpose. Some children had geraniums, and some had begonias; some, like Gwen, had lilies. But none of the plants, Gwen felt sure, would be so lovely as her lily.

She had already picked out the place where she would put it. When the moment came in the service for the children to make their offerings of flowers she would carry her precious plant slowly up the aisle and set it at the foot of the pulpit. Then it would be right at the minister's feet when he preached his sermon at the later service.

"O lily, don't be late!" Gwen said. The lily was obliging. Just at the right time the green buds began to swell; later on a little white showed through each green sheath, and at last, a few days before Easter, one of the lovely flowers began to unfold. By Easter morning the blossom was perfect.

The children's service was to be held at half past nine o'clock. In her eagerness to be off, Gwen could hardly eat her breakfast; she sat with her spoon lifted and gazed at the plant as it shone in the sun on the window sill.

"Its place will be at the foot of the pulpit," she thought again.

"Who is going to take Gwen to the church?" the family asked after breakfast.

The question caused some confusion; no one, it seemed, could get away so early.

"But I must go, you know," Gwen said anxiously.

"Why not let her go alone?" Aunt Felicia asked. "The church is just around the corner."

So it was settled that way. Nearly an hour ahead of time Gwen set off down the street in her new spring hat and coat with her right arm carefully circling the flowerpot and her left hand steadying the blossom itself. People looking from their windows smiled and said to one another, "There goes little Gwen Banister with an Easter flower almost as big as herself."

There was no one at all in the church as Gwen walked slowly in. She settled herself and her precious burden in the corner of a pew near the door. She wanted to carry the lily all the way up the aisle when the time came, so that as many persons as possible might get a good look at it.

After a while the organist came in and began to practice softly on the organ. Bright sunlight streamed through the stained glass windows and painted everything in strange colors. The Easter lily was rose pink for a while; then it turned yellow and then a pale blue.

"But it's loveliest of all just pure white," Gwen said to herself. She felt very peaceful and comfortable; the church was warm, and the music sounded sweet and far away.

She settled the pot more firmly on her knee. "It's nearly time to begin now," she said. "I'll just shut my eyes and wait."

When she opened her eyes she was astonished to see that the church was full of people. How had they all come in so silently, she wondered. The choir was in place, and all the pews were full; above the tops of the deep pews she could see the sleek bobbing heads of the little boys and the nodding Easter hats of the little girls.

"He's going to tell us to bring up the flowers now," thought Gwen. Her heart beat fast; she straightened her hat and grasped the lily pot. But the minister did not say that. Instead, he looked at the congregation with a smile and began, "I'm going to make my talk a very short one, for it is nearly time for the eleven-o'clock service."

Gwen sat up straight. "What does he mean by that?" she thought. The minister went on, "But I want to say that these flowers that you have put here—"

Gwen craned her neck. "And what does he mean by that?" she said to herself.

She got up on her knees and then stood up on the seat. One look was enough; the chancel was banked with flowers—flowers of all kinds and colors. The children had carried up their offerings while Gwen was asleep; no one had noticed the quiet little figure hidden away in the corner of the deep pew. The service was nearly over.

Gwen did not waste any time wondering how it had all happened. She scrambled to the floor; there was no time to lose.

A moment later the congregation saw a small figure scurrying up the aisle. It was a somewhat disheveled figure and it went very fast indeed. At the pulpit it paused.

"Mr. Norton," said a high-pitched little voice. "Excuse me, sir, just a moment, but here is still another flower for Easter. It really didn't mean to be late."

Mr. Norton hesitated; then he leaned down and lifted the heavy pot from the eager little arms. He held it up so that all the congregation could see it.

"A perfect Easter flower," he said. "I will put it here on the pulpit."

Gwen turned and trotted down the aisle. She smiled back happily at the smiling people whom she passed.

She felt very much pleased. The lily had bloomed on time, and now, instead of having a place at the minister's feet, it was up on the pulpit at his elbow. Her Easter plans had turned out beautifully!—Youth's Companion.

are invited to help, as a patriotic undertaking, in forging intellectual links between Western and Eastern Canada by offering post-graduate scholarships tenable by graduates of Universities in the West.

The Elder Sister.

Shine, April! Smile, April!
April bluster wild.
Storm and scold, warm and cold—
'Tis for her, the child.
Work your will through glint and gloom,
Tune the song bird's note;
And May shall walk in leaf and bloom
Up to her rosy throat.

April.
"Oh, month that comes with rainbows crowned,
And golden shadows dressed—
Constant to her inconstancy,
And faithful to unrest."

—Alice Cary.

The giraffe is the only animal which is really dumb. It is unable to express itself by any sound whatever.

O Risen Christ! O Easter Flower!
How dear Thy Grace has grown!
From East to West with loving power,
Make all the world Thine own.