

BANKING SYSTEM OF CANADA.

Mr. D. M. Stewart, President of the Sovereign Bank, delivered an interesting and profitable address before the Canadian Club at London recently. He regards the public as woefully lacking in accurate knowledge regarding banking, and as the address contains many good points, we reproduce portions for the benefit of our readers. He says:

PUBLIC LACKS KNOWLEDGE.

"Apart from the fact that it is a very great privilege to appear before any body of intelligent men, it has always seemed to me that the general public was so woefully lacking in accurate knowledge regarding banking, that even I, in my own humble and imperfect way, would be fully justified in disseminating all the information I could on the subject, whenever possible.

"At the present time the public is being satiated with a certain phase of banking, which happily is extremely rare in this country, but it is not my intention to discuss the special features of that case, except in a general way that I do not believe such conditions exist in any other Canadian bank to-day. I am a firm believer in the banking and commercial possibilities of this great Dominion, and to me it is a matter of congratulation that if the unfortunate disclosures which have recently been brought so prominently to notice, have done nothing else, they have positively established this one fact.—that the business of banking, as I understand the term, is safe, sound and profitable when conducted within our own Canadian borders. Heavy losses are exceptional in the case of bankers and all others who confine themselves to the development of the agricultural, commercial and manufacturing industries of this country, and if all of the people, more especially our young men, would only realize this and concentrate their energies upon Canadian enterprises, they would find that nothing would pay them better or result in more genuine satisfaction in the long run. It may be slow, though not necessarily, but it is absolutely sure. Good, safe remunerative business, and plenty of it, is to be had in Canada if it is only sought for in the right way, but the experience of generation upon generation has proven that financial ruin stands inevitably in the pathway of the banker or the merchant who allows himself to be drawn into the maelstrom of Wall Street speculation.

FUNCTIONS OF OUR BANKS.

"In Canada, the chartered banks conduct a general business. They act as custodians for the savings of some of the people; they lend money to others; they assist the merchant in the financing of his imports from foreign countries and facilitate the business of the farmer and the manufacturer in procuring payment of the products exported to all quarters of the earth.

"The principal sources of banking profit arise from the lending of money and the issuing of their note circulation, two functions of the highest importance in the material development of a nation. The business of lending money is conducted to-day upon principles identical with those which existed in the time of Moses, when he warned the children of Israel against usury,—the lender endeavoring to secure the highest rate of interest possible, and all the security available. The bankers of Rome and Athens took deposits and made loans, besides doing an extensive business in "foreign exchange." The issue of paper currency is a development of more modern times, although as a matter of fact, a paper currency is said to have existed in China as early as B. C. 119. Canada has the honor of being one of the first countries of more recent times to adopt a paper currency. This was in 1685, when the periodical shipment of coin from France having failed to arrive, the Intendant cut up ordinary playing cards, wrote upon them his "promise to pay," and issued them to his soldiers as payment in place of specie. This was what is known as "monnaie de carte," and was in use ten years before the Bank of England was established, and thirty years before John Law's bank was established in France. This card money, which was forced on people and soldiers alike, worked satisfactorily enough so long as ships arrived with coin and the Intendant was able to redeem it, but the ships stopped coming in 1709, and later on the currency was redeemed at half its face value, entailing a heavy loss on the people of the colony.

HISTORY OF OUR CURRENCY.

"This occurred under the old French regime, but there was a special issue of paper currency made under the English regime, during the war with the United States in 1812, when exports of specie were prohibited, and an issue of 'Army Bills' authorized. These bills served the purposes of the country extremely well, and were all redeemed in full with interest by the year 1820. The people had become accustomed to this new paper currency, and as the bills were being called in for redemption, they felt the inconvenience of going back to the use of gold and silver coin. There was a number of Scotchmen and Englishmen in Canada by this time, and they were more or less familiar with the note issuing powers of the Bank of England and the Bank of Scotland, established respectively in 1694 and 1695, the Bank of England by a Scotchman, and the Bank of Scotland by an Englishman. These men, therefore, tried to get a bank of issue for Canada, but it was difficult to obtain the necessary permis-

sion from the home government. However, some of the merchants of Montreal finally succeeded, and in the year 1817 a bank of issue was founded, and that institution is in existence to-day, and as it was then, so it is now, the first bank in Canada.—The Bank of Montreal.

"After this, other banks were established, and until the year 1867 each one of the provinces enacted its own laws for the regulation of banking. By the Act of Confederation, however, the provinces relinquished their rights to deal with banking and currency to the Federal Government, and ever since then such legislation has been uniform throughout the country. A general Bank Act was passed in 1870, but only one bank renewed its charter under this, and another Act was passed in 1871, which fixed definitely the date for the expiry of all bank charters at 1st July, 1881. This Act may in reality be regarded as the first Bank Act of the Dominion. Ever since that time the bank charters have been renewed by ten-year periods, dating from the 1st July, 1871, and a revised Bank Act has been passed every decade. These revisions and attendant legislation have been accompanied by considerable discussion in Parliament and press which have led to the adoption of additional safeguards and amendments from time to time, and finally culminating in the admirable system which this country enjoys to-day. You can thus see that this system has not been achieved by any haphazard legislation or financial accident, but is the result of a steady process of evolution aided by that intelligent criticism and sound common sense which have always characterized, as a body, the public men and the bankers of Canada.

"The necessarily short time at my disposal precludes the possibility of my giving you anything like a satisfactory review of our banking system or its history, and the best I can do is to bring just a very few points to your notice.

SOME BILLS CANCELLED.

Until 1870 the chartered banks were allowed to issue one, two and four dollar bills, but in that year they were deprived of the right to issue ones and twos, the Government assuming this function. The banks continued to issue four dollar bills, however, until the Bank Act of 1880 was passed, which fixed the lowest denomination for bank notes at five dollars, and required that all such issues should be in five or multiples of five. Ever since the issue of the 'card money' in 1685 the aim of successive Canadian legislatures has been to make the paper currency of the country absolutely safe; and in the year 1890 this most worthy object was finally and satisfactorily attained.

"Under the act of 1870 noteholders and depositors ranked equally as creditors; the act of 1880 changed this, and made the note circulation a first lien upon all the assets of the bank. This was a great improvement, and no bank that has gone under since the act of 1880 became law, failed to pay its noteholders in full. In spite of this fact, when the next revision of the Bank Act took place it was decided to go a step further, and in the year 1890 the safety of the bank note circulation was placed beyond all peradventure by the establishment of a guaranteed fund in addition to all the other safeguards previously adopted. This fund, which is known as the 'Bank Circulation Redemption Fund,' was created by the payment to the Dominion Government in gold by every bank of a sum equal to 5 per cent. of the maximum amount of its outstanding circulation, and this ratio must always be maintained. The fund is applicable to case of need to the redemption of the note circulation to any one bank, although it is contributed to by all the banks. The total amount

Executrix's Sale.

ACCORDING TO THE LAST WILL and testament of Samuel Kidd, deceased, there will be sold by public auction on Thursday, December 27th, at 2 o'clock, P. M., lot 38, con. 3, Egremont, one mile north of Holstein, containing one hundred acres of land well watered by the Saugeen river. Medium sized new frame house and barn. The cleared land is all under grass, meadow and pasture. The sale will be held on the premises, possession given the first of March as it is now leased. Terms: cash. JOHN CLARK, Auctioneer. Mrs. S. Orchard, Executrix, Durham, Nov 7-8t.

Standard Bank of Canada

DURHAM BRANCH

Savings Bank Department

Interest allowed on deposits from date of deposit to date of withdrawal, and paid four times a year.

One Dollar Starts an Account.

Your Deposit Account is Solicited.

J. KELLY, Manager

of circulation outstanding on 31st October 1906, was \$83,718,630, secured by total assets amounting to \$935,313,464.

UP TO PAID-UP CAPITAL.

"In answer to a question which is often asked regarding the amount of circulation which a bank may issue, I may say that a bank may issue notes to the amount of its fully paid-up capital, and no more.

"I trust you will have observed that through all the stages of legislation there has been a steady curtailment of the powers of the banks as regards note issues. This tendency is most apparent in the act of 1890, when the amount of money which a new bank had to deposit with the government before it could commence business was increased from \$100,000 to \$250,000, and the amount of bona fide subscriptions to the capital stock raised to \$500,000.

"The latest Bank Act, and the one which now governs the banking institutions of the country, was passed in 1900, and under this act the charters of all banks were extended until the 1st July, 1911.

"Here are a few of the things which a chartered bank cannot do. It cannot lend money on its own stock or on the stock of any other bank. It cannot lend money upon real estate or mortgages, and it cannot invest in real estate except for its own requirements in the way of premises, etc. These restrictions are very wise, their intention being to prevent banks from locking up too much money in fixed assets.

A CONSEQUENT EXPANSION.

"There has been an enormous development of trade and commerce in Canada during the past few years, and a consequent and necessary expansion in banking. As I said before, the principles governing the conduct of a banking business are much the same now as they were 3,000 years ago, but the methods of conducting it are different, and these must necessarily change and continue to change with the times.

"It is said that there are too many branch banks in Canada to-day, but that is not a bad thing for the country, and I venture to say that if an appeal were made to the people they would be unanimous in deciding for more. The bankers, however, are the best judges of this question, and they know that it is an easy matter to close a branch if it does not pay, and no sane banker would keep an office open very long that did not pay. The fact is, that, as in time of peace a nation should prepare for war, so in days of prosperity it should prepare for hard times. I say, therefore, that now is the time for action. While business is good we should obtain all we can, and reaping plentifully, lay up in our storehouses now for the lean years which, though they be delayed, will inevitably come.

"But let us not lose our heads; let us not become intoxicated by success; let us remember that it is easier to stand adversity than prosperity, and that it is while times are good that every bank, as well as every merchant, should put his house in order. In this connection you will hear people make use—or misuse—of that good, sound, old banking word, 'conservatism.'

"There is no better or more appropriate word in the vocabulary of a banker, but do not forget to distinguish between conservatism and pessimism. They are not synonymous terms. No pessimist ever accomplished anything worth while for himself or his country. The cautious critic who sits by his snug fireside and rails at the modern captain of industry who works fourteen hours out of the twenty-four, is if anything more dangerous than the man who lives in the past, and is always sighing for "the good old times."

NEED OF GREAT MEN.

"This is a great country, and it must be developed by great men. What we need most to-day is men of courage, men of broad vision, men with large ideas, men of faith. Without these we cannot inspire that hope, that confidence in others which

will attract men and money to our shores. No one who is familiar with the existing condition can deny that there is a magnificent future for the banking and commercial interests of this country, and it is my honest opinion that no country in the world holds out brighter prospects for the laborer or the capitalist, the farmer or the artisan, the merchant or the banker, than does the Dominion of Canada.

"Young men, there is no necessity for you to go to the United States. You will do far better at home, where I am convinced that the same amount of hard work, the same amount of honest, concentrated effort will bring larger results than in the United States or in any other country. With the inevitable development which is to take place in Canada, the banking system will continue to undergo the necessary process of evolution, and will be found to adapt itself as time goes on more and more adequately to the demands of the country and the requirements of our people."

The address was received with great applause, and a hearty vote of thanks was given.

In Praise of Chamberlain's Cough Remedy.

There is no other medicine manufactured that has received so much praise and so many expressions of gratitude as Chamberlain's Cough Remedy. It is effective, and prompt relief follows its use. Grateful parents everywhere do not hesitate to testify to its merits for the benefit of others. It is a certain cure for croup and will prevent the attack if given at the first appearance of the disease. It is especially adapted to children as it is pleasant to take and contains nothing injurious. Mr. E. A. Humphreys, a well known resident and clerk in the store of Mr. J. E. Lock, of Alice, Cape Colony, South Africa, says: "I have used Chamberlain's Cough Remedy to ward off croup and colds in my family. I found it to be very satisfactory and it gives me pleasure to recommend it." For sale at Parker's Drug Store.

BOBBIN' ON THE BOB-SLEIGH. I'm a millionaire to-night, and I'm dreaming by the fire In the big and splendid castle that I've built; But I'd rather lie and dream, if I only had my way. Undersneath an old log cabin quilt, And dream I'd joined the boys and girls behind the village school To spend an hour a sliding down McPherson's hill. A-bobbin' on the bob-sleigh, the bob-sleigh the bob-sleigh— A bobbin' on the bob-sleigh still! They say I'm great and famous. Mebbe so; Let it go at that—but I glory in a sleep That brings me back some glimpses of the old old time. Get my boyhood back again when in my stumber deep, For I'm a-bobbin' in the bob-sleigh the bob-sleigh, the bob-sleigh, Down the gleaming slopes of Old McPherson's hill; I'm a-bobbin' on the bob-sleigh, the bob-sleigh, the bob-sleigh, I'm a-bobbin' on the bob-sleigh still!

WAUDBY.

As it is some time since I saw anything about the happenings around Waudby, in the Chronicle, so I thought I would let you know a few of the items.

Mr. George Twamley, and his son Albert, arrived home from the West where they have been for the past summer, looking hale and hearty. George says that country is good enough for him.

Mr. Nicholas Melosh, has rented Mr. T. McKenna's farm for the coming summer. Messrs. Wm. Waterson and Wm. McNally are working on the railroad out near the Rob Roy and fattening up for the winter.

Our school mam, Miss E. Binnie is having her school concert on the 18th of Dec. It is going to be the concert of the season.

Miss M. McArthur, another of our fair maids has gone through the bonds of matrimony. Congratulations.

Mrs. George Twamley has been under Dr. Smith's care with erysipelas in the head, but we are pleased to report that she is somewhat better. Miss Addie Twamley is home from the hospital at Fergus, and is quite strong after the operation for appendicitis.

Mr. Thos. Dann had the misfortune to have one of his fingers taken off with the turnip cutter while cutting turnips.

Mr. and Mrs. Joseph McNally spent Friday with the Livingston family, at Priceville.

YOUR WISEST COURSE.

In many catarrh snuffs, cocaine is the largely used ingredient; in consequence the drug habit may be formed. To be really cured of catarrh, to do so quickly, safely and pleasantly, doctors say Catarrhose is superior to any remedy. It heals sore places, stops discharge, prevents hawking, spitting and bad breath—does this by first destroying the cause of the disease. Catarrhose is no experiment it is a tried and proven cure that is guaranteed for bronchial, throat, and lung catarrh. Two sizes, 25c and \$1.00, at all dealers.

DANGERS FROM DYSPEPSIA.

Imperfect Indigestion Most Prolific Cause of Serious Disease.

Few people seem to realize the real danger in disturbed, deficient or defective digestion.

While health reports do not give indigestion as a cause of death, yet it is in reality often fatal, as it weakens the stomach that one becomes readily susceptible to an attack of typhoid fever, kidney disease, nervous prostration, or other serious or fatal disease.

At the first symptoms of indigestion Mi-o-na stomach tablets should be used. If there is a feeling of heaviness in the stomach, distress after eating, nervousness, dizziness, nausea, headaches, sleeplessness, pains in the side and limbs, specks before the eyes, or a peevish, irritable condition, with debility and weakness, begin the use of Mi-o-na at once.

It will build up the stomach and digestive organs so that you can fear anything at any time without fear of distress or indigestion.

A 50 cent box of Mi-o-na tablets will, in most cases, give prompt relief and cure, although in chronic and long standing weakness of the stomach, two boxes or more are sometimes needed, but we guarantee Mi-o-na will cure, in all cases, no matter how chronic or serious, or money will be refunded. You run no risk whatever in buying Mi-o-na. We absolutely agree that your money will be refunded should you buy a 50-cent box of Mi-o-na stomach tablets and not be satisfied with the results. Mi-o-na is sold by druggists everywhere; or will be sent by mail on receipt of price, 50 cents.

Write to-day for a free sample package and also give us your symptoms, and one of the best known stomach specialists will give your case his careful and personal attention without charge. Booth's Hyomei Company, Buffalo, N. Y.

EXPERIENCE.

In daily walks the trader talks: "It keeps a fellow humping To raise the rocks to margin stocks Which have a trick of slumping."

WHY BURN YOUR TOES?

Stop using Acid Corn Salves, use Putnam's Painless Extractor; it costs a little more, but it's far the best. Use only "Putnam's"—25c at all dealers.

NOW IS THE TIME

To consider about getting ready for fall. We have an excellent stock

STOVES PIPES, ETC.

To select from.

ALL KINDS OF HARDWARE AT LOWEST PRICES

Our Graniteware is the best and at lowest prices.

CALL AND SEE

F. E. SIEGNER DURHAM.

H. H. Miller

THE HANOVER CONVEYANCER

: HAS BEEN : 2 BUSY

To change his advertisements but now offers some NEW BARGAINS:

100 ACRES Bentinck, near Crawford, brick veneered dwelling, very large barn, frame stables and pig stables, good soil, good orchard, good bush. Price should be \$4000 but will sell for less than \$3000; or sold at once.

250 ACRES near Durham, a good farm, splendidly improved, was asking \$7,500, will now take great deal less.

100 ACRES in Gleuclg, near Durham, a fine well improved farm, will sell very cheap or trade.

1/2 ACRE LOT near Durham Furniture Factory. Will sell cheap or trade.

A PROFITABLE Blacksmith shop stand, well located.

A large sum of money to lend at lowest rates. DEBTS COLLECTED. INSURANCES placed. Difficulties arranged. G. P. R. and Ocean Steamship Tickets for sale. Everything private.

Always Prompt—Never Negligent.

H. H. MILLER.

House and Lot For sale

ON BRUCE ST., DURHAM, NEW brick house, 30x32; 2 1/2 stories high; double cellar, cement floor in one half, furnace in the other half. Small barn with stone stable underneath. Convenient to station, Furniture Factory and Cream Separator Works. Will sell cheap to quick purchaser. The owner is going West.

For further particulars apply to Wm. LEGGETTE, Box 92, DURHAM, June 14, 11.

For Sale.

LOTS 2 AND 3 OF 15. CON. 1, W. G. R., Bentinck. Building lot on Bruce St., Durham. Brick house on Bruce St., Durham. Apply to Wm. Leggett, Rocky Saugeen, or John Legate, Durham, Jan. 25, 1911.

Farm for Sale.

CONTAINING 100 ACRES, BEING Lot 14, Con. 4, N. D. R., Gleuclg. About 85 acres cleared, balance in good hardwood bush. Well watered, well fenced, good frame house, bank barn and implement house. Good bearing orchard, about twenty-five acres ploughed, four acres in fall wheat. Possession may be had after Mar 1st. For further particulars apply to DONALD BEATON, Prop., POMONA P. O., Jan. 20th, 1906—11

Good Farm for Sale.

ON THE GARAFRAXA ROAD—about six miles from Durham. Good title. Possession at once. Good land. Must be sold. For particulars apply to J. P. TELFORD, Durham, Feb 22nd 1906—11.

Park Lot For Sale.

PARK LOT NUMBER 13 NORTH of Saddle street in the Town of Durham, in the county of Grey, containing acres more or less. For terms and particulars apply to J. P. TELFORD, Durham, Dec. 2—11. Vendor's Solicitor, Durham

House for Sale.

A good solid brick two storey dwelling alongside Presbyterian Manse property in Upper Town, Durham, Corner of Dundas and Elgin streets. Seven rooms, parlor, closets, cement floored cellar, etc. Good airy location in good locality. Good frame stable, hard and soft water, one acre of land. Snap for quick purchaser. For further particulars apply to JOHN W. McKECHNIE, Owner, Aug. 1st, 1906—11. Rocky Saugeen P. O.

Farm for Sale.

Being Lots 10, 12, 13 and 14, Con. 2, Gleuclg, and 50 acres adjoining, 450 acre total, four good farms. On the property are three good barns and an extra good brick farm house, containing seventeen rooms. Hard and soft water in kitchen, and an abundance of good running spring water on the farms. Three good bearing orchards, farms in good state of cultivation with excellent grazing lands, well timbered convenient to church, close to gravel pits and within four miles of village and post office. Will be sold in one block or separate parcels to suit purchaser. The proprietor, George Twamley, has purchased the land in the West and has decided to sell at once. Snap to quick purchaser. For further particulars apply to ROBERT TWAMLEY, Crawford P. O., Aug. 4, 1906—6m.

Normanby Farm for Sale

LOT 21—IN THE SECOND CONVEYANCE West of the Garafraza Road, in the Township of Normanby, in the County of Grey. For particulars apply to J. P. TELFORD, Barrister, Durham, Jan. 3, 1906—11

Farms for Sale.

IN NEW ONTARIO. A number of improved valuable farms in New Ontario, near New Liskeard for sale—large discount for cash. Map of the locality and terms given on application to J. P. TELFORD, Solicitor for Vendor, 7-18 06.

FAIRM FOR SALE.

BEING LOT 5, CON. 11, GLEUCLG. Containing 100 acres. On the premises is a brick house, fifteen rooms, heated by hot air furnace. Soft water in kitchen, never failing well of good hard water in door. Good bearing orchard. Barn with stone basement. Hog pen. Never failing well at barn. 85 acres cleared, 75 in good state of cultivation, balance new land and bush. Fenced throughout with cedar rails and wire. Convenient to Post Office, Church and School, on leading road between Markdale and Durham. Snap to quick purchaser as proprietor is going West shortly. Apply to W. F. KERNEY, on the premises, P. O. address, Waudby, Ontario, Nov 13th 1906—11.

In the Surrogate Court of the County of Grey.

In the matter of the guardianship of Eva Rubina Campbell, John Campbell, Annie Gertrude Campbell, Wilfred Henry Campbell and Hilliard Campbell, being the infant children of Donald Campbell, late of the Town of Durham, in the County of Grey, Implementing Agent, deceased.

NOTICE is hereby given that after the expiration of Twenty days from the first publication of this notice application will be made to the Surrogate Court of the County of Grey, by a grant of letters of guardianship to the above named infants to Isaac Beckman Lucas, of the Village of Markdale, in the County of Grey, Barrister.

I. W. McARDLE, Solicitor for the Applicant, Dated the 26th day of November, 1906, 1906.

Here is Your "SALE"

Positively the Most

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Lead Packets Only.

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WHICH is the only product that actually adds offers an unrivalled to get in on the ground possibilities as a money

Property in this investment, and has been of Port William, local Bank professional men.

Do not delay. The to-day. Map and full par

Price

\$15.00 Cash.

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SOUVENIR

will fit any chimney.

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A Souvenir Range

is built to draw well

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Every Souvenir is absolutely

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The GURNEY-TILDEN

Hamilton, Winnipeg,

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ALL ORDERS PROM

Geo.

NOTICE TO TRESPASSERS

All persons are warned not to trespass on the following lots with dogs, unless advised for the purpose of hunting or other lawful purpose.

Abraham Crutchley, No. 2, 3rd G. R.; No. 3, 4th Con. S. D. R. Wm. Wall, No. 3, 4th Con. S. D. R. Thos. McGirr, No. 61 and 62, 2nd G. R. John Bell, No. 67, 3rd Con. E. G. and 4, 1st Con. N. D. R. Chris Firth No. 5, 1st Con. N. D. R. Wm Young No. 3 Con. 1, S. D. R. N. 1. N. D. R.

TO RENT.

STORE AND DWELLING I Village of Priceville. Apply to Mrs. E. J. GR Nov. 15—6w