

province would greatly encourage its agriculture and commerce. Both these industries suffer from a continual drain of specie to the United States and the mother country, and from the want of a circulating medium to take the place of the precious metals.

Mr. Stewart also favored the bank, especially an incorporated bank ; the present circulating medium is inadequate to the needs of the two provinces and the States in their immediate neighborhood. A bank would keep the trade up to its present level, and would afford the only means of causing it to increase.

Mr. Mure referred to the great increase in the commerce of the country, and though now checked by the peace and the consequent diminution of public expenditure, it will no doubt revive with growth of population, and greater attention to agriculture. Most of the specie in circulation is in silver, and is both inconvenient and risky. He fears that the amount of currency will not long be sufficient for the commerce of the country, especially as the rate of exchange with the United States gives promise of turning so as to draw off specie from Canada. He thinks a bank would do much to supply the deficiency. The experience of the use of army bills in late years "has proved the great advantage of a paper medium on a solid basis, and given a confidence to the inhabitants of the country which in my opinion, will induce many of them to become shareholders in the bank, and make the interest in it become so general that it can hardly fail to succeed."

Mr. Lymburner, referring to the obvious benefits of banks, said that their note issue "by displacing an equal amount of the precious metals, creates a new capital, and in English countries where capital is the grand desideratum, . . . it may in this way give an incalculable strength to industry in all its branches. The experience of many commercial countries places this in a striking point of view." He refers to the prudence and skill required in the safe management of banking establishments, to guard against unwise advances and the over-issue of paper. To regulate the issue the notes should be made unconditionally payable in specie on demand. He thinks bank notes would now circulate freely in Canada, as the old prejudices against paper money have been weakened by the late army bill currency, and bank notes will be found to be much more convenient than gold and silver, and in every respect equal to them.