could be, to appoint Commissioners for the purpose, and pay them for their services. He thought the House could never expend money in a better manner. He should not say for a moment that a large grant should be given for the purpose; but certainly no person could be expected to devote his time to such an enquiry, without remuneration. No Committee of the House could ever effect the object. He would suggest whether it would be desirable to appoint Commissioners before the session concluded. They would receive instructions as to the matters to which they should turn their attention, among which should most particularly be the ordinance fee table. He was disposed now to postpone this bill, that hon. members might ascertain the sense of their constituents, of the profession, and of the public at large, and get more information as to the merits of the measure.

Mr. Simonds admitted the sentiments of the article quoted by Mr. Chandler, and also accorded generally with the views he had expressed. He also thought some of Mr. Kinnear's propositions worthy of attention. He did not think the whole bill would do at present, on account of the necessary expense for which the country was not yet prepared.—As to the second proposition; he would like that very well, with certain limitations; such as regulating the scale of costs, according to the matters in dispute.—The hon. member also objected to allowing exceptions to be taken in any causes, where the amount claimed was under £100.—With such limitations, he thought the second proposition would do very well. As to the third, that might be very well also, if neither the first nor second should be adopted by the Committee. The hon. member here made some reference to the error of the existing law, which had been intended to take away the jurisdiction of the Supreme Court in certain cases, as before specified, but which failed to do so, for want of express words. It appeared, then, that the only thing the Committee should do with the bill this session, would be, to pass a short enactment to explain and remedy that error; and then to name Commissioners, as suggested by Mr. Chandler; as he (Mr. S.) was of opinion that the matter ought to be so referred, and that the House were not prepared to decide on it this session.

[We omit the remainder of the debate on this subject, to make room for the lengthy discussion which preceded the third reading of the Bill for incorporating the Commercial Bank of New-Brunswick.—A Resolution was passed, however, postponing the further consideration of the Common Pleas Bill, till the next session of the Legislature.]

Thursday, February 23.

The House proceeded to the order of the day, by committing the bill for incorporating the

COMMERCIAL BANK OF NEW BRUNSWICK.

Mr. Vail in the Chair of the Committee.

Mr. Kinnear rose and said, that it was well known, he believed, by that time, that he was an enemy to all monopoly, and to every thing that had a tendency to monopoly. Consequently, he supported the proposition for another bank, on public and general principles, without reference to any other considerations. Every one knew, that mercantile interests could only be beneficially managed by fair competition. Competition was the life and soul of all business, and of mercantile business more than any other. If there should be only one merchant, one lawyer, one physician, or one tradesman in a place, he would always make his own charges, and monopolize the whole business of the neighbourhood. Hence, there was a necessity for competition: hence arose competition; and then individuals were prevented effecting merely their own objects. Competition ran through all classes of society, and all kinds of business; and the great object of legislation should always be, to prevent monopoly of every kind, and every tendency to monopoly; and to do equal good to all classes of the people. To prevent such a confinement of business, was the object of the bill before the committee, and to put the mercantile part of the community in a better condition with regard to cash concerns, by creating a competition.—This led him (Mr. K.) to another practical principle; that if a man is paid too well for his labour, so much work will never be got from him, as when he is fairly or even underpaid. He heard his hon. friend at his elbow (Mr. Simonds) echoing that principle; [laughter from Mr. Simonds.] and if that principle could be brought to bear on this question, he (Mr. K.) could shew, that it would be found to be of great use to this bill. If, instead of passing this bill, the house were to increase the stock of the old bank, that bank would then get all the bonus of the whole country on cash transactions, out of the commercial interest of the province. They would then be overpaid; and the consequence would be, that they would rule the commercial interest of the country as best suited themselves. As to the effect of banks on this province—He (Mr. K.) found, that in 1820 the present bank of New Brunswick was established. In a short time, it was found necessary to curtail the amount of their capital from £50,000 to £40,000. But in only five years from that time, it was deemed expedient to return to the old standard. That fact proved that the banking institution had been found useful to the commerce of the country, and that it was safe, if properly managed. He found another thing worthy of remark. At that same time, an application was made from Charlotte County for a bank for that district. An act was accordingly passed, tho' it was deemed a chimerical project, and the vanity of the County of Charlotte was particularly commented on. But he (Mr. K.) had at that time thought, that instead of vanity, it was public spirit which urged the measure; and so it had indeed turned out. It had proved a useful and a good thing; and the grant of that charter established two things, viz. that banks were useful and necessary, and that opposition or competition was also useful; and the more the house increased the number of banks, so far as to establish a fair competition, the more the country would be benefitted. At all events, no harm could be done by a second bank in St. John, as the Charlotte County Bank had gone on so well. Another thing was remarkable. In the same year that that bank was established, (1825,) it was, that the additional amount of capital was restored to the Bank of New Brunswick, and thus an additional banking interest was thrown on the Province. If, therefore, the banking scheme was prejudicial, would the legislature have established an additional operation of that scheme? Surely not. The additional stock of the old bank immediately sold for 60 or 70 per cent. premium on the original amount; which was a convincing proof that it was a useful institution. That which was useful to the persons concerned in it must be so to the country. There was another reason for this bill. It was well known that merchants had, from time to time, large sums invested in notes of hand, on which it was not necessary for them to put their own names. That was legitimate paper or stock, and the holders were entitled to call on the bank to pass it for discount, if good names appeared upon it. Yet it was often found at St. John, that that object could not be accomplished; that good paper was often thrown out at one time, and yet at another time the same paper was passed. This fact established the necessity for another bank. Either another must be incorporated, or additional stock must be allowed to the old one. In that dilemma, he (Mr. K.) thought hon. members must come to only one conclusion. He did not wish in the slightest degree to reflect on the corporation of the old bank; but he must observe, that the paper he had mentioned was not speculative paper; but notes held by merchants for goods, sold to the parties, and which was indorsed with good and substantial names, and which did not require the names of the holders. If such paper was to be passed at one time, and thrown out at another, either there must be a deficiency in the funds of the bank, or it must arise from the caprice and whim of the directors. The latter assertion might probably be denied; and if so, the denial would establish the other supposition; which ought, therefore, to cause this bill to be passed. The next difficulty would be, whether that would be a safer remedy, than that proposed by the counter petition from the present bank corporation. As to that, what had the house before them? A petition, signed by whom? By the President and Directors of the Bank of New Brunswick. The house knew that the President and Directors were reaping the profits of their establishment; and they were therefore right to hold on to them; but this petition was an interference with the public wishes of the people of St. John at large, of the mercantile community. If that interference was legitimate, how could it have been made? Not by merely representing to the house the views of the Directors of the bank, but by calling together a general meeting of the stockholders, and merchants of St. John, in which the matter might and would have been fairly canvassed. But all men well knew, that when they have an affair of their own to plead, they will put forth their very strongest arguments, much stronger than when they plead for the general interest of the community. Such was the matter of fact; and it might be seen in the petition.—Now to the petition *for* the bill. That petition was signed by many of the most respectable and wealthy merchants of St. John; men who knew the state of commerce and the wants of the mercantile community; and at the head of those names was that of one of the oldest and most respectable merchants of that city; a gentleman, whose character and whose grey hairs were now going down with honour to the grave. It could not be said, that that venerable gentleman had come forward in this matter, from any motive connected with idle clamour or officiousness. He, at least, must be exempted from such a charge. Then, were the house to put into competition with the general wishes of the mercantile community of St. John, the interference and interest of the corporation of the present bank?—The hon. member then argued, that the merchants would have a better opportunity of transacting their cash concerns, if two banks were in existence. Neither a deficiency of funds or the caprice of directors would operate to the prevention of discounts on good paper; and the demands of the mercantile community would be met. But there was another light in which the matter should be viewed. It was well known that the prosperity of mercantile business depended, in a great measure, on mercantile enterprise; on legitimate speculation. How did it act in this case? Suppose a merchant possessed £2000 in good paper; which, tho' not actually money, ought to be as good as money. He saw an opportunity of making a good speculation; how, then, could he seize it, but by being assured that on a certain day the bank would enable him to turn his paper into money? But at present, he could not be so assured; as he had no certainty, altho' the paper was perfectly good, that he should get it discounted; and in fact it might not be discounted, till the time for his speculation was gone by. But with two Banks he would be assured of getting his paper passed. By competing with each other, they would bring all things to a level, and the mercantile interests would be put on a proper footing.—It was pleasing to observe, that persons from Great Britain were frequently tempted to come and settle in this province; who brought with them, if not capital, yet that enterprise, public spirit, and honor, so characteristic of British merchants. Should the house not protect such persons? Certainly it should. They came to this country with expectation of finding banking institutions established, by aid of which they might be enabled to carry on their business. If such institutions did not exist, or if they did not afford sufficient accommodation, the consequence would be, that such merchants would either be disgusted and leave the country, or would be improperly kept under. That was an argument well worthy of consideration; and he (Mr. K.) hoped every encouragement would be given to merchants arriving from Great Britain.—But now as to the evils supposed to be concomitant on a second bank. From all the information he could gather, he did not apprehend such evil results as the counter petition alleged. It was said, that if the new bank should be established, the present bank must unavoidably call in their debts; and he (Mr. K.) supposed the Charlotte County Bank would then be so terribly frightened, that it would do the same. The reasons would be, that the present Bank of N. Brunswick had but £15,000 at present in their vaults; and that the new bank could only be established by drawing capital from the old. But the reply to this was, that there were actually persons now wanting an opportunity of investing their capital, which they could not do in the old bank, as stock was not to be bought at any price. Let, then, the house afford that opportunity, by passing this bill. Another thing was, that merchants, who sent home cargoes of timber, could draw for their money, and, instead of selling their bills in St. John, could send them to New York or elsewhere in the U. States, for sale, by which they would draw the hard cash to this country.—If the old bank should attempt to curtail its credits, by calling in debts, to the injury of their debtors, what would be the consequence? They might not prevent the establishment of the new bank, but would certainly destroy themselves; because not many of those who might be ruined by such a step would ever give them a bit of paper for discount again. That suggestion in fact amounted to a threat, intended to prevent the establishment of another bank. He (Mr. K.) could not look at it in any other light.—After a few more observations, the hon. member concluded by saying, that the commercial interest, the trade, the enterprise of the province, loudly called for the enactment of this bill.

Mr. Cunard said, as to the old bank refusing good paper, that it would be against their own interest to do so. If the present bank was a monopoly, and if its tendency was dangerous,—two banks would be a double monopoly, and therefore doubly dangerous.—In Scotland, there were only three chartered banks, out of 50 or 60; because men of capital joined together, and their personal property was made liable to the amount of their issues.—It had been thrown out, that the bank had such an influence, that if the Province wished to issue Provincial notes, the bank would bar them from circulation. [Here we lost a few words.] The hon. Member said he had lately been put in possession of a letter, by one of the advocates of the new bank, who, no doubt, had obtained this information before the subject of the new bank was started; which letter would shew what a neighbouring province got by having no chartered banks, and issuing their own notes. [Here the hon. Member read a letter from the President of the Chamber of Commerce, of Halifax, containing some statements respecting the circulation and benefits of the provincial notes of Nova Scotia; and then proceeded to comment on that subject, and to advocate the beneficial effects of a similar course in this province.]—As to the charge of monopoly, was there any person so proof against every thing reasonable, as to admit that the Directors of the Bank of New-Brunswick, would refuse good paper, when it was manifestly their interest to receive it, without very good cause? ["Yes," from Mr. Partelow.] Such a thing was directly at variance with reason and common sense. What was the cause of such refusal? They were not satisfied with the paper. That was the reason. The hon. member then quoted the history of the bank and its stock, and said, with reference to the addition to the stock in 1825, that it was granted on condition that the additional stock should be sold by auction. It was so sold, and fetched from 40 to 50 per cent premium. It was purchased under the full protection of the law; and if another bank had at that time been established, and put into competition with it, it would have been a breach of public faith; it would have been robbing the purchasers of the difference between par and the premium given for the stock. That fact shewed the impolicy of either extending the capital of the present bank, or establishing a new one.—As to the respectability of the petitioners for the bill, he [Mr. C.] had no doubt whatever; but he thought it very probable there were many in the list, who, when applied to to take stock in the new bank, would rather withdraw their names. The money necessary for the capital was not in the province.—As soon as the new bank should be established, the old one would be compelled to draw in their debts, as they could not allow their capital to remain in the hands of those who were competing with them. If the new bank, then, succeeded in ruining the old, there would only be one establishment in the place of another, but possessed of more limitted means and less experience. He [Mr. C.] thought that instead of passing this bill, it would be better to let it be generally understood, that the House would never renew the charter of the present bank, or grant one to any other. The hon. Member made some commendatory remarks on the Scotch principle of banking, and concluded by observing, that if a new bank were established, it would only be a double monopoly.

Mr. Partelow said he had meant, according to custom, to open the debate on this bill, but he had been anticipated by his hon. and learned friend from the city. It was fortunate, perhaps, that it was so, because that hon. and learned member had explained the nature of this matter, and the principles in its favour, as well as its absolute necessity, so much more clearly and effectually than he (Mr. P.) could have done, that he was really glad that hon. member had departed from the usual course of proceeding on this occasion.—He (Mr. P.) then [illegible] sentiments entirely conclusive and satisfactory, as to the [illegible] new bank, the power and practice of the old one, and the respectability of the petitioners for the bill; and he cordially agreed with all that that hon. member had said. He would therefore not repeat those arguments, but would notice some objections in the petition of the bank corporation. They first appealed to the clemency of the House. They said, that their establishment had originally been formed with very great difficulty; and that, therefore, their monopoly should be continued. There certainly had been such difficulty, because at that time the banking principle was entirely new in this country; but surely the bank found a relief from their difficulties in their large profits, in the immense amount annually shared in dividends, which he (Mr. P.) believed to average 10 or 12 per cent per annum. Their stock was now so valuable to them, that it was impossible for any body to purchase any. [The hon. member here read a list of stockholders, to shew how very few persons held about half the whole stock.] It was impossible for any new merchant to buy stock. The petition also stated, that they always afforded proper and reasonable accommodation. On the contrary, they were so exceedingly scrupulous, that they had never lost, he believed, more than £30 throughout their whole career. Excellent paper, having on it the very first names in the country, unquestionable in every respect, they had refused to pass. That was the case in a variety of instances. The hon. member here made some observations on the system of renewal, which did not clearly reach us. He would ask, whether that was a fair and accommodating system of business? An hon. member, (Mr. Cunard) had asked why, if paper was good, they did not take it? He (Mr. P.) could not say why they had not; but such was the fact. It was but lately, that a note for about £60, by some of the first persons of the country, was sent to the bank, with an expectation, as mere matter of course, that it would be passed. It was refused. The next week, the very same note was again sent in, and passed. He (Mr. P.) could name the parties if at liberty, and their names were well known. They were merchants of the very first respectability, and the note was as unexceptionable as could be desired. It appeared that the bank had not sufficient capital to give the accommodation necessary to the community.—He (Mr. P.) believed the hon. member from Northumberland (Mr. Cunard) belonged to some joint stock company in Nova Scotia; and no doubt it was a very convenient thing to join together and issue their own notes. The legislature had no controul over such banks; and what was the consequence? Suppose they should find it necessary to wind up their affairs. The results would be like those now attending the closing of Girard's bank, at Philadelphia; which were causing immeasurable distress. People were pouring in every week with their claims, and immense sums were continually demanded. The hon. member made some observations on the N. Scotia Provincial Notes; and concluded with remarking, that the necessity for this bank must be apparent to every hon. member, except the hon. member from Northumberland, who had spoken against the measure.

Mr. S. Humbert said that he had formerly opposed the institution of the first bank, and for the same reason he should now support the bill for a new one.—He had considered at that time, that a bank would control the commercial character of the country; it was for their interest to fish out every possible information as to the property of mercantile individuals, and they had certainly done it bravely. Nobody now need go to the Register office for such information; a bank director would tell them all about it. It was well known that paper of the best quality had been refused at the bank; and sometimes good notes would be shaved; that is, if any doubt were started, a director would put his name to the note, and so get a per centage upon it. He (Mr. H.) did not think that a very honourable mode of doing business; if notes required such indorsing, it ought to be done without a profit. What was the consequence of the Bank?—The directors were the most keen-minded men he ever knew. He thought none, not even in the mother country, could be more so. If there appeared any shadow of risk on a note, it would not do for them. It was a complete monopoly. [We here lost some observations from the rapidity and low tone of the hon. member.] He had no doubt the present stockholders were as honest and good men as any in the country; but monied men would always look to gain. That was natural, and he had no doubt he himself, were he in a similar situation, would do the same. But should the legislature allow any body of men to monopolise the trade or the cash concerns of the whole country? No. If any other set of men had surplus cash, which they wished to invest in a bank, and thereon to issue notes, why should they not be allowed to do so? There might be, indeed, an internal war carried on between the banks; but that would be between themselves. If one bank would not discount good notes, the other would. The opposers of this bill, he feared, were actuated by interested motives; but he did not think there was one disinterested person who did not wish to see another bank established. He was for the bill.

Mr. Partelow said he had forgotten one observation which he had intended to make; which was, as to other petitioners against the bill. The bill had now been in the house upwards of a month, and had laid on the table for the inspection of hon. members, together with the petition in its favour. In all that time, there was ample opportunity for presenting counter petitions; but only one had been sent up; which was solely from the corporation of the old bank. The general opinion of the people of St. John in favour of the bill was therefore established; as no other attempt had been made, to petition against it.

Mr. Speaker said, he believed it was generally considered, in all countries where the welfare of the people and the encouragement of trade were consulted, that banks were useful institutions. It had been said, that in some countries, they had been carried to an extreme, and proved very injurious. He (Mr. Speaker,) thought, from all the information on the subject he had been able to acquire, that that was the case; particularly in the U. States. [Here, from the buz in the gallery, we lost some phrases.] There was no question, but what banks, properly conducted, and possessed of sufficient capital, were very useful; and, as a commercial man, it would be his (Mr. Speaker's) interest to advocate them. But he wished to consider this question on fair and disinterested principles. He was not prepared to go the same length as Mr. Kinnear, as to the benefit of another bank. [Here again we lost several remarks.] He (Mr. Speaker,) recollected the original application for a charter for the Bank of New-Brunswick, which was made in the first session that he had had the honour to sit in that house. He remembered that the objections to it then principally were, that there was no necessity for such an establishment, and that there was not sufficient capital in the country. If hon. Members looked at the state of the country at that time and its condition now, they would find that, such an institution was probably more wanted then than now. The province then had a good trade, and its capital was profitably employed. But in 1826 a great change took place. At the time, however, of which he was speaking, the legislature determined that a Bank was not desirable; though the provincial revenue was then greater than at this time; and if the decision of that House was to have any influence on the opinion of the House now, that would be a good reason against passing this bill.—As to the operation of the present bank, and the assertion that competition would be beneficial, to ascertain whether that was the case, it should be seen what the present operation really was. The bank always accommodated the public to the extent of their wishes. As to paper being considered good in one week, and not in another; he thought that could be easily accounted for. It was a rule of the bank, that whenever paper was offered, the drawers or indorsers of which were already in the bank to a certain amount, the negatory vote of any one director would throw it out. Paper might, therefore, have been thrown out one week, on that account, and accepted another; when the amount for which parties were already in was less. He (Mr. Speaker,) would like to know, whether there was ever any well authenticated case, and public cause of complaint of good paper being thrown out? [*Mr. Partelow.*—Yes; unquestionably.] He had never heard of any such case.—The question now was, whether it was proper to create any further fictitious capital in the country; because such a course might induce many people to go beyond their means. He thought there was no want of another bank. He believed there was now plenty of opportunity for profitably employing money; and he thought that any man, having an opportunity of profitably employing money, could get it on good security. [illegible] doubts whether there was sufficient capital to lodge in a new bank. [Here, again a few words fell short.]—If there was sufficient capital in St. John, and it was really wanted there for the purposes of the country, the holders could establish private banks, as in N. Scotia. [*Mr. Partelow.*—Oh!] They were profitable establishments in that province; and the House could not hinder the people of St. John from doing so. If it should be said that an undue preference were shewn to the old bank, he would answer, that its charter would soon expire, and perhaps would not be renewed. In private banks, the estates of the parties would be bound to the amount of their liabilities. He (Mr. Speaker,) was not for this bill. He was desirous to do every thing to promote the agriculture, the commerce and the manufactures of the country, and would support this measure if he could think the bank were wanting.—The House should always endeavour to add to the real capital of the country; but he did not think this measure would have that effect.

Mr. Simonds said, that he would be explicit, in speaking on this question; as he was a director in the present bank of New Brunswick, though his interest in it was very small. But he was an enemy to all banks; he was of opinion that they were productive of evil, and that they always would be. There was no question on the principle of right, that the petitioners for the new bank had as good a right to a charter as the corporation of the old one; but setting that principle aside, the only question was, whether if a new bank were established, while it would be allowing a right to a few individuals, it would not be a serious injury to the whole community?—What would be the consequence of a new bank? He [Mr. S.] thought, the very week it came into operation, the present bank would be compelled to call in half its debts; and then where would the monies be got, would be the serious question. The bank notes were scattered all over the province; some of them were in N. Scotia, and some, perhaps, in the United States.—The debtors would not be able to collect those notes; they would not perhaps get together one-fifth part of the sum required; and what would be the consequence; they must then find specie. That would be impossible. Almost all the specie would be locked up in the bank. How, then, would they pay their debts? Only by a tremendous sacrifice of their property, which would be ruinous in the extreme. Even some of those very petitioners for a new bank, perhaps, would be called upon to a great extent, for which they would be little prepared.—Objections had been made to the mode of discounting in the present bank. It had been said that good notes were thrown out one week and passed another. That argued nothing against the bank. It was impossible to judge of the directors on that account, unless parties were present at their board, and ascertained their motives. There might be some good names on such paper, and others that were doubtful. Parties might be already on the book to a larger amount than they were entitled to, and therefore the notes might be thrown out. All those things influenced directors, in deciding on the paper. He [Mr. S.] was satisfied, that credit was given by the bank to the fullest extent to which it could be given with safety, even by both banks were they both in operation; and he had no doubt, if the affairs of the present bank were examined, and the result laid before this Committee, they would come to that conclusion. Another evil would immediately result from the establishment of another bank. There were great numbers of the notes of the Charlotte County Bank in circulation; those notes would, no doubt, be taken up by the new bank which would instantly create a run on the Charlotte County Bank, that would draw out every dollar of specie from that institution. The position of that bank must then cease which would be entirely ruinous to it. Certainly the new bank would depreciate the capital of the present bank of New-Brunswick, and it would be a powerful engine to destroy public credit. It would be impossible to know what paper ought to be discounted; for either of the banks would not know how far the parties had credit in the other; all notes therefore would be looked at with considerable suspicion; and so, many might be actually turned out of both. That would beget a want of commercial confidence, which would be ruinous to the commerce of the country. The establishment of a new bank would cause a total stagnation of business for a time; for at least 8 months; because that time would inevitably be occupied in providing for and paying off the debts of the old bank. These were some of the evils that would result. Then there was the question, whether it was necessary or advisable to create a greater amount of fictitious capital. He (Mr. S.) certainly thought it was not; there was quite as much fictitious capital in the country as there ought to be; as much as was necessary for the safety of the community. If a new bank should be founded, bank paper would depreciate in value, which would be a serious evil. Bank paper was now as current as gold, because specie could always be got for it. But he thought that would not be the case, if the new bank came into operation. The petitioners for it must rely on the means of the old bank, by which to purchase stock in the new. Could it be supposed, that the old bank would discount paper for such purposes? They must take prudent measures for their own security.—Then how could the new bank come into operation? He (Mr. S.) thought it quite a chimerical scheme.—It was impossible that £50,000 could be paid in. No doubt, there were some few monied men in St. John, who wished to invest their capital, so as to produce an interest. But that was no argument for the establishment of a new bank. Such a fact ought not to weigh a feather in the minds of the committee. He had great doubts, whether even the present bank ought to have a renewal of its charter, at its expiration.—Here we lost a few words, but believe the hon. member made some observation as to the evil of banks in general.] The establishment of another bank would enable persons without capital, who had really nothing to lose, to come into competition with the old bank, whose capital was real and secure. If the new bank were to break, many perhaps, of its stockholders would suffer no loss themselves, having nothing to lose; but their friends might be involved in their fall, and the whole community would be injured by their improper speculations. The new bank would, at first starting, discount a great deal of paper which it ought not to discount, and might, therefore, very soon injure themselves. If they went on in that course, the establishment would very soon be bankrupt, and their friends and connections, and the whole community would be deeply injured. It was necessary for all banks carefully to restrain their speculations.—There was no telling how many would be involved, by a bankruptcy in St. John. He (Mr. S.) was always much against monopolies. Whenever they could be avoided, they ought to be. If the present bank was one monopoly, two would be two monopolies.—The charter of the old bank would expire in 8 years; then the question would arise, as to the expediency of continuing it.—Perhaps it would be better to let it die. But at all events, he thought the present bank could accommodate all the wants of the community, so far as the general safety would allow. He (Mr. S.) was certainly in some degree interested in the question, as a stockholder in the old bank, and perhaps ought not to vote on this occasion. He had no desire to do so, and would, therefore, rather leave it entirely to the judgment of the Committee; who would, no doubt, decide so as not to increase the evils of banking. If the supporters of the bill could show how another bank would be beneficial to the community, he might, perhaps, cease to object to it; and the petitioning parties had, certainly, as good a right to a charter as the existing body. But he thought the Committee would pause before deciding the question; because the benefit could not be great, but the injury might be incalculable.

Mr. Partelow replied to Mr. Simonds and others; and among other things said, that that hon. member, as a director of the old bank, was one of the signers of the petition against a new one; that parties could not now get discount on good paper, because so much of the capital of the old bank was continually out on renewed notes; that the capital for the new bank would not come from the funds of the old, but would be drawn from foreign funds; that the private banks of N. Scotia were under no controul, and if such banks could send as much fictitious capital as they pleased into the country, there would be no knowing the consequences; and that the new bank would be under the same control as the old, and would be limited in its circulation.

Mr. Cunard said, in counter reply, that he did not believe one word of what had been said about shaving notes in the old bank. He thought no bank, in any country, [illegible] without [illegible], as the Bank of New-Brunswick; and there was no necessity for another.

Mr. S. Humbert replied to Mr. Cunard, but we could not clearly catch his observations.

After a few more words from Mr. Speaker and Mr. Slason, (who appeared to oppose the bill,) the Chairman, on motion, reported progress, and obtained leave to sit again; it being ½ past 4, P. M.

Friday, February 24.

COMMITTEE OF SUPPLY.

In Committee of Supply, this day, the sum of £3500 was voted for Grain Bounties, and a like sum for Fish Bounties; the sum of £4500 for Parish Schools; and a variety of minor resolutions were passed. Among others, the sum of £25 for a Tide Surveyor at Richibucto; and the sum of £40 for Tide Surveyors at Bathurst and Restigouche. These latter sums were voted on the principle that the trade of those places was so increasing, and the facilities for smuggling so great, that tide surveyors were necessary for the protection of the revenue. It was understood to be an experimental measure at present.

REVENUE.

Mr. Simonds, from the Committee of Trade, brought in the Revenue Bill; and further reported, that the Committee were of opinion that it would be expedient to address his Excellency the Lieutenant Governor, to pray his Excellency to appoint Revenue Officers, for the protection of the Revenue arising from Goods imported into this Province by *inland navigation.*

NEW BANK.

The new Bank bill was this day recommitted, and the debate resumed. The discussion on the general principle of the bill again became of very considerable extent.—After a few preliminary words from Mr. Simonds, and a little introductory skirmishing between Messrs. Cunard and Partelow,

Mr. End began, by observing that he did not pretend to know much, in fact he might say he knew nothing, about banking; but he had heard a great deal of argument on this subject, and it struck him that banking must be a pretty good trade. There appeared to be heavy interests on the floor of that house, conflicting in this question. He (Mr. E.) imputed nothing whatever, because hon. members had admitted the fact, of having such interests. Then again, no doubt there would be many handsome offices to dispose of, should this bill pass; and if such an event should happen, it would not be the first time that a good penman, a most useful member, had been taken away from that house, to fill the office of Cashier. Such a thing might, perhaps, happen again. But such things should never influence any hon. member of that house: they did not influence him. [Mr. *Partelow.*—I know better than that.] He (Mr. E.) would be very sorry to impute any such motives to any hon. member; but he would merely say, that what had happened, might happen again. It appeared, therefore, that there were such interests in the house, [Mr. P.—No.] but they should have no influence whatever. He (Mr. E.) knew but little about this matter, but he formed his opinion on the two petitions on the subject, and on the arguments he had heard. As to the present bank. He thought that wherever the house had granted chartered privileges, they were bound to keep public faith.—A charter conferred an exclusive possession of some new track or mode of business; and the reason why the legislature granted charters was, that they might act as a kind of bounty on new speculations. In 1820 it appeared this bank was chartered; but in 1822, in consequence of its declaration that it was impossible to sell its stock, the stock was lessened to £30,000. In 1824 it was again raised to its original amount, of £50,000: from which fact, he (Mr. E.) inferred, that banking was a pretty good trade. But the question was, whether the House should do injustice to their constituents by depriving the present bank of its charter, which would really be the effect of interfering on this occasion. The hon. member then contended, that it was most wonderful as the petitioners for this new bank did not purchase stock in the old bank, between the years 1820 and 1822, when there was plenty to be had. Why did they then allow honest men to invest their capital in a doubtful trade, instead of participating in the speculation themselves, and why did they now come to the House, with a petition for another bank? If reasons could be shewn, to convince the House that the charter had been misused, then they ought to take measures to destroy it; but there was nothing before them to prove that. But it had been said that legitimate notes, not '*kites,*' had been thrown out by the bank. But could the House limit the discretion of the banking parties in such maters? Certainly not. But the fact that those very notes were afterwards accepted, was a proof that there was no malice or ill-feeling in rejecting them at first. It was probable that it was not convenient to cash them before.—Suppose this bill should pass. What would be the consequence? He (Mr. E.) believed it would be acknowledged that the notes of the bank of New-Brunswick were as good as hard cash, and often better, because they were much easier of transmission. In fact, in some places they actually bore a high premium. That showed the bank to be strictly honest and honourable in all its dealings. The country had been convenienced by the circulating medium of the bank. But what would be the consequence of the bill? The new bank must shew its capital, before it can issue notes. [Mr. Partelow.—The bill provides for that.] Of course the bill provided for it; but he would ask, where was the money going to come from?—This project had been long in agitation; every means had been taken to calculate its benefits to the projectors; and there would be handsome places to dispose of. The hon. mover himself perhaps, looked forward to some such office as cashier, or —[Mr. Partelow.—No, no, no, no!] He (Mr. E.) said yes, yes, yes, yes; and he appealed to Mr. Chairman, to prevent the interruption of the hon. member from Saint John, who appeared to be always on the alert to over-rule his (Mr. E's) observations, and to put him down. [Mr. P.—You want putting down.] The hon. member then observed, that 400 or 500 poor devils, in their simplicity, had thought him worthy of being entrusted with their suffrages, and of expressing an opinion for them in that house; and that he thought he was as well entitled and as competent to do so, as that hon. member who was so fond of interrupting him. But as to the new bank and its capital. It had been only pretended, that the sum of £2000 would be forthcoming, which were to come from the 3 per cent. consols of England. It was extraordinary that no more could be shewn or accounted for. But where, in reality, was that sum of 2000l. Was it in the country; was it in this province? Yes. It was in the vaults of the Bank of New-Brunswick, and the first thing required for the new bank would be, to get it thence. That would cause a run of notes on that bank, to take up the money. True, that would be all fair enough; but what would be the consequence? The bank would be compelled to take its own notes out of circulation, by calling on their debtors to take up their paper in the bank. These parties would be pressed by the old bank, and must call in the bank notes, the public would be deprived of the circulating medium. The cash would go out of the old vaults into the new; because, before the new bank could issue any notes, it must get the necessary gold and silver; and there was no other way to get it. And what was the country called on to run all this risk for? To gratify certain discontented parties, who chose to petition for a bank for themselves. They might have purchased stock in the old bank, when it was to be had, but they suffered it to go begging then; but now that they saw it was a profitable concern, they wanted to participate in the benefits. It was not fair. He (Mr. E.) hated monopolies; but it would be breaking public faith, and depriving the country of the circulating medium, to pass this bill, and he was therefore against it. The hon. member concluded by recommending that the stock of the present bank should be increased about £25,000 or £30,000, in order that the monopoly might be thrown open; and also that the present stockholders should be allowed to purchase stock only so far as to qualify them to be directors, so that, neither directly nor indirectly, they should hold more than that amount.

Mr. Partelow said, that as the hon. member who had just sat down, had thought proper to insinuate that he (Mr. P.) was influenced by interested motives in this question, he threw his insinuations in his teeth, and despised the imputations. He neither expected nor would fill any situation in the new bank; he was fit for none but that of Cashier; but he would not sacrifice his seat in that house for all the Cashiers' offices in the world.—The hon. member then made some remarks about the "400 or 500 poor devils," which did not clearly reach us; and was proceeding to comment on Mr. End's objections to the bill; when he suddenly checked himself, and said he would not notice them then. The hon. member then sat down, "looking unutterable things."

Mr. Kinnear replied, as to the exclusiveness of the charter, that the argument of the hon. member for Gloucester was quite fallacious. The House might give a *patent* which would have an exclusive operation; but a mere charter implied nothing of the kind. There were various chartered bodies in the province; such as the old bank of N. Brunswick; the Marine Hospital; the Fire Insurance Company; the St. Andrew's Steam Boat Company, &c.; but the granting such a charter to either of those bodies was no pledge whatever, that no other such charter should be given.—The House might grant half a dozen similar charters,