

# The Chronicle



## Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXI. No. 31

MONTREAL, AUGUST 4, 1911.

Single Copy 10c  
Annual Subscription \$2.00

### A NICE CONSTITUTIONAL PRECEDENT.

OUR esteemed contemporary, the Witness, reads us a fatherly lecture upon the rashness of a financial paper, like The Chronicle venturing into politics. Well, none of us are the worse for a little paternal discipline occasionally; the great thing is to take it meekly and profit by it. The Witness does not approve of The Chronicle expressing regret that the King should be dragged into party politics. Our contemporary remarks: "Now surely if the Chronicle had refreshed its memory upon an episode in history which, as Macaulay would say, 'every schoolboy is familiar with,' it would have known that when the Reform Bill was brought forward in the English House of Commons, 1831, William the Fourth had not been longer on the throne than George the Fifth to-day, and that when the Peers persistently refused to pass the bill parliament was dissolved and the electors practically sent the same parliament back again (as has recently been done), the King consented to create a sufficient number of new peers to force the bill through the Lords."

The Witness is perfectly right so far. King William the Fourth did "consent" to create a sufficient number of new peers to force the Reform Bill through the Lords. A great many respectable citizens also "consented" to transfer their pocket-books and gold watches to "gentlemen of the road" whom they met on Hounslow Heath. Macaulay's school-boys were doubtless familiar with the nature of the gentle pressure brought to bear upon the King to convince him of the wisdom of "consenting." The King had positively refused to accept the advice of his Prime Minister, Lord Grey, to swamp the House of Lords with new peers, and accepted the resignation of the government. To embarrass the Duke of Wellington, who was later invited to form a government to succeed the Grey administration, the politicians did not hesitate to intrude upon the financial world. They organised runs upon the Bank of England and the Birmingham and Manchester savings banks. London was plentifully plastered with patriotic placards which read: "Go for gold and stop the Duke!" Stocks fell and there was a financial crisis. There was rioting throughout England. To further convince the King and win his "consent," His Majesty on arriving in London with his sons was received with hoots and insults. Stones were

thrown at his carriage and the Life Guards had to fight a way for the King through the mob. Then it was that the King, as the Witness points out, "consented" to form the constitutional precedent quoted. Lord Brougham, the Chancellor in Lord Grey's new government, had the characteristic bad taste to demand the royal consent in writing and the King "consenting" to even this humiliation, wrote:

"The King grants permission to Earl Grey and to his chancellor, Lord Brougham, to create such a number of peers as will be sufficient to insure the passing of the Reform bill—first calling peers' eldest sons.

"William R.

"Windsor, May 17, 1832."

Lord Grey, a man of much finer feeling, said to Brougham after the interview was over: "I wonder you could have had the heart to press it." Not much however, was to be expected in the way of fine feeling from the noble lord who lost the Great Seal of England while he was drunk, and found it again while he was playing blind-man's-buff. However, we are satisfied that the Witness will not regard all Lord Brougham's actions as constitutional precedents.

DIASTER TO THE NIOBE. **T**HERE will be general regret at the disaster to the Canadian cruiser Niobe, fortunately unattended by any loss of life. Admiral Kingmill's report upon the behaviour of the Canadian boys and the discipline which prevailed among them under trying circumstances is most gratifying.

### INTERNATIONAL FINANCIAL CONFERENCE

**A** CONFERENCE of the British, American, French and German syndicates which took part in the recent Chinese loan is being held. Chen Chin Tao, who heads the Chinese delegation, is a graduate of Yale. One of the subjects for discussion is the placing of the Chinese Empire on a gold basis; and Chen ought to be able to give the Conference some interesting information on the status of the silver or bi-metallic basis in American politics just now.