

gest that the incorporated municipality be known as 'Charlottetown.' The second reading of the Bill was made the order of the day for Wednesday next.

The Jury Act, as amended by the Council, was read a first time, and ordered to be read a second time to-morrow. Hon Mr Whelan presented a petition from the inhabitants and trustees of school at Birch Hill, Lot 56, praying allowance to the teacher; also, a petition from the trustees of the Catholic school in Charlottetown, praying grant to pay off arrears of salaries due teachers previously to the school coming under the operation of the Free Education Act, both referred to special Committee on school petitions. Mr Cooper presented a petition for allowance to teacher of school at Chepstow; also, a petition from Roderick McDonald for compensation for loss sustained on his contract in repairing a road in Township 52—laid on the table. Hon Mr Whelan, from committee, presented a Bill regulating the proceedings on controverted Elections of Members of the House of Assembly, which was read a first time. The Normal School Bill was then read a second time, and the House went into Committee of the whole upon it—Mr Perry in the chair. A very animated discussion then ensued, the general tone of which evinced approval of the establishment of such an institution.

FRIDAY, February 16.

The Bill providing for taking the Census was read a third time and passed. Hon. Mr. Wightman presented some petitions on roads and bridges, which were laid upon the table.

BANK BILL.

Hon. COL. SECRETARY, among other papers, laid upon the table extracts from a despatch from Sir George Grey, giving the reasons which had induced Her Majesty's Government to withhold the Royal Assent from the Act for the incorporation of the Prince Edward Island Banking Company; and in moving that the latter document be published in the *Royal Gazette*, stated that the Imperial Government had always carefully scrutinized any measure of this nature, and it was right that they should do so. I am not surprised that the Bill did not receive the Royal Assent. The clause allowing the Bank to withhold the redemption of their own paper, was quite sufficient to destroy it. I will suppose the case of a man about leaving the Island—he wishes to get money: he takes the notes to the Bank and asks that they be redeemed; he is told that it is not convenient to pay the cash, but that he will be allowed twelve per cent. interest until they are paid. What must he do in such a case? The Bank, according to the Bill, can tell him that it is not convenient just then to take up their paper, but that he can receive twelve per cent. interest on the notes he holds. What compensation, I ask, is that to a man in the circumstances I have supposed? He wants no interest. He requires cash, and cash he must have; and this Bill would have the effect of compelling him to take the notes to a shaving-shop. The Bill is objectionable in other respects. It contains no clause limiting the amount of real estate to be held by the Bank. Such property is not required by such an institution. Specie, not real estate, should be the capital of a Bank. Their banking house is the only property of that kind that a Bank requires. Again, under this Bill, shareholders are not liable for the consequences of any mismanagement on the part of the directors, beyond the amounts of their respective shares. They should be responsible for at least double the amount of their subscribed stock. For these reasons, Mr. Speaker, I consider the British Government justified in refusing their sanction to the Bill, and I move that the paper I have presented to the House be published once in the *Royal Gazette*.

MR. HAVILAND.—I was not present, Mr. Speaker, when the document was read, and am consequently unprepared for discussing the matter now, but I must say that the reasons assigned by the Hon. Colonial Secretary for the rejection of the Bill are, in my opinion, frivolous in the extreme. Among other objections, there is one relative to the issue of small notes. Strange, indeed, to find such an objection to

this Bill, when the Banks in Nova Scotia and New Brunswick are allowed to issue such notes! and, sir, a clause similar to that allowing the Bank to suspend specie payments, on paying twelve per cent. interest during the period of such suspension, is to be found in the Acts incorporating those Banks. Why was it not objected to in their cases? But, sir, the clause was inserted, and would operate as a penalty on the Bank, and a security to the public. Any holder of its paper could sue the Bank in the same manner as any other debtor. I wish the matter to be fully discussed, when hon. members may have had time to consider the objections; at present I am not prepared to take it up.

Hon. COL. SECRETARY did not intend to enter into the discussion of the objections at that time, his only object in making the observations he had, was to shew hon. members the propriety of his motion for publication. He denied that the twelve per cent. clause was penal, for while the Bank were allowed to issue paper to thrice the amount of capital subscribed, they would be in the receipt of eighteen per cent., and deducting the twelve per cent., would still receive six per cent. on their paper, for which the public had no security. The hon. member had stated that a similar clause was to be found in the Bank Acts in the other Colonies, but there was this very material difference between those Acts and the present, that they expressly limited the period of suspension, after the expiration of which, the Charter of the Bank became forfeited, but this Bill provided no time for the resumption of cash payments. He would be willing to give a reasonable time for the Bank to obtain specie, but thought that the Charter should be forfeited after sixty days' suspension of specie payments. With reference to the hon. member's remark that the Bank might be sued, he would only observe, that the liability of the Bank to be sued would be practically of no benefit to the public, for there being no Bankrupt Law in force in the Island, after the time lost in obtaining judgment against the Bank, the creditor might find that there was nothing left on which he could realize his claim.

MR. HAVILAND.—The Hon. Col. Secretary states that the twelve per cent. clause was not a penalty on the Bank, inasmuch as they might be making eighteen per cent., and only paying twelve; but if the clause were struck out, what security would the public have? The Bank would then receive the whole eighteen per cent.

Hon. MR. LORD was opposed to the publication. He considered the present discussion a waste of time. Nearly three-fourths of the clauses of the Bill had been objected to. If we want a Bank, we had better state our wishes to the Imperial Government, and take whatever measure they may please to give us. I will not vote for the publication, Mr. Speaker, though other hon. members may. I wish to see a Bank established in Charlottetown; it is very much needed; every man in business feels the inconvenience and annoyance to which the community is subjected for want of such an institution. I know that I, for one, feel it very seriously; but really if such objections as these are to be made, we may as well abandon the idea at once.

MR. HAVILAND agreed with the hon. member who had just sat down, and supposed that under Responsible Government we were to have the management of our own affairs—that the British Government would not make fish of one and flesh of the other. The Bank of Westmoreland, in New Brunswick, had similar clauses, and the Act incorporating it had passed simultaneously with our own, and had not been objected to. Talk of security to the public—why, sir, I believe there are upwards of £60,000 of foreign bank paper