

October).....	\$6,883,370
20 per cent on that, as reserve, is.....	1,376,674
$\frac{1}{7}$ call deposits then held was.....	567,186
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Making a total of.....	\$8,827,230
The specie then held was.....	\$4,013,468
The Government Debentures held (March, 1869)	
were.....	1,096,373
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	5,109,841

Making a difference, to be provided, in the case of the highest circulation, of..... \$3,717,389  
 which is 7.730 per cent per annum for seven years on the highest circulation (\$6,883,370), and 2.988 per cent per annum for the same time on the highest discounts (\$17,771,227).

Now, sir, if there is any truth in these statements, I think no one will say that the operation of the scheme in this gradual way will needlessly cramp the facilities which the Banks have for giving accommodation to the public. I have reviewed this question hitherto, putting the case on the most unfavorable footing for the Government, as if there would be no increase of banking capital, and no increase of deposits. But we may presume that the commercial wants of the country will probably increase. This will make a further demand on the Banks; but, if the increased business affords them a reasonable remuneration, I am satisfied there will be no lack of additional capital to enable them to give the requisite accommodation. Look at what we witness during this very Session. Are there not now before us Bills asking for new incorporations, others asking for an increase of capital to existing Banks, all of them seeking to provide the additional banking accommodation required by the public? I think it will be admitted that the power of the Banks to meet the business wants of the country does not depend on their circulation so much as on the amount of their capital and deposits. Now let me shew how largely the capital, and especially the deposits have increased within the past few years, as compared with the circulation. From March, 1832, the time when our statistics began to be accurate, until March, 1869—a period of seven years—the circulation only increased 6 per cent, while the capital increased 9 per cent, and the deposits 90 per cent. Now, considering the increased facilities which Railways give for bringing the circulation to the points where it is wanted, it is not likely that the circulation will increase so fast as the capital demanded for our growing commercial operations will increase. When we find that, during the last seven years, deposits and capital have been the two sources to which the Banks have mainly looked for carrying on more extended operations—the one having increased 90 per cent, and the other 9 per cent, while the increase of Bank circulation was less than 6 per cent—it is reasonable to suppose that during the next few years that state of things will not be very materially altered.

Having thus referred to the objection, that the working of the measure would needlessly cramp the commercial operations of the country, I come