

management, no attempt being made to restrict them where the interests of the public do not require that they should be restricted. I may say that this matter is one which ought not in any way to be made a party question. Considering the immense interests that are involved in it, directly affecting the welfare of the country, it should be treated as above and beyond all mere party considerations. It is our duty to consider what has gone before, and, although we may be satisfied that the system in the past has been open to most serious objections, we must nevertheless take care not to deal ruthlessly, inconsiderately, or precipitately with existing institutions or with the existing system. We must remember that it has been the growth of a state of things very different from that in which we are now. For we have hardly yet begun thoroughly to realize that we are emancipated from that mere provincial state of existence, to which Banks of \$20,000, \$30,000, or \$40,000 of capital might be very well suited, and that we have entered on a national state of existence, having the Pacific on one side of us and the Atlantic on the other. (Cheers.) But it becomes us to consider, under these altered circumstances, what will be the effect if we fall into the error which other countries have fallen into of permitting Banks, wherever situated, an unrestricted power of sending out their circulation throughout such a territory. With such weighty responsibilities resting upon us we ought to pause and take care that we do nothing precipitately, and we should be especially careful that those institutions which have grown up under the present system should have the fullest and amplest opportunity of gradually accommodating themselves to the new state of things which it may be found necessary, in the public interest, to introduce.

Let me now mention the position in which the Bank circulation of the Country at present stands. I need scarcely ask the House to keep clearly before it the distinction there is between the Banking capital of the Country and its circulation, as it is only to the latter that the resolutions the Government are about to submit have reference. It will be found, in a few moments, when I have proceeded somewhat further with my explanations, that it is not the desire of the Government to interfere in any way with charters which have not expired, but that they will be left to their own natural operation during the period they have yet to run. We do not wish to interfere in any way with corporate rights, but will allow them to continue as long and as fully as was intended by the Legislatures of the various Provinces which have granted them. In speaking of the circulation then, I refer specially to that of the Banks of Ontario and Quebec, with which it is necessary that we should now deal, as their charters will very shortly expire. The average circulation of the late Province of Canada—including the issue of Provincial Notes—is about \$12,000,000. The highest circulation ever reached was \$15,100,000—which was the amount issued last October—there being thus a margin between the highest circulation and the average of \$3,000,000. Let me now state what is the amount of the banking capital. At this moment, the aggregate capital of the Banks of Ontario and Quebec is \$30,000,000—or twice the amount of the