

their hands of it. So that there would be a constant effort on the part of the bank to get rid of the gold which would be handed to them, or the changes in our banking legislation, which are sure to follow with commerce here. I do not see that there is going to be any equivalent returned to us for the institution of this new manufacture. I may mention one objection to the denominations of two and a half and five dollars. The coin would be indistinguishable, I fancy, in size and weight, by ordinary methods, from the English half sovereign and sovereign, and in a rough way the public, if they ever took these coins outside of Canada, would be very apt to say, 'Oh, this is just a sovereign, and I will give you a sovereign for it, and you would lose sixpence on each coin, or something like that. So that, I should say that two dollars and four dollars, the present Dominion denominations, would be far better. I do not think that beyond a few coins that may be held by people, just as postage stamps are accumulated, a demand for gold coinage exists in this country. In calculating, therefore, the financial results of this new enterprise, you must add to loss already alluded to of \$75,000 a year due to capital expended, an indefinite amount due to insufficient employment of an expensive staff, and a still larger and more formidable charge due to the displacement of the government issue of Dominion notes, of which I estimate there are about \$18,000,000 not covered by gold reserves. You are therefore faced by this dilemma, if the public does not take kindly to your gold coinage, your mint will not be employed. If it does, your Dominion note issue will be curtailed, with a corresponding and indefinite deficit to be charged to this enterprise. I do not give the mint the slightest share of the profit now being made in the coining of silver and bronze, but I debit it with the loss which will accrue from the diminished circulation of notes both of the government and of the banks and a much larger proportion to the government than to the banks. Finally, I think any government should hesitate before disturbing a financial system which has been proved, through good times and bad times, to be equal to the demands of the country, to be safe, simple, inexpensive and satisfactory to the community at large. I merely throw out these remarks as perti-

nent to the question at hand, and if the Bill is passed, as I have no doubt it will be, for I have no intention to oppose it, they will furnish the government with food for reflection.

Hon. Mr. MACDONALD (B.C.)—There is no doubt, the great want of the country, and of the gold-producing part of the country especially, is assay offices. They will be a convenience to the miners, and a source of profit to the country, and they should be taken in hand before a mint is established. As to the profit or loss from a mint, I am not prepared to say anything, but the quantity of gold required in the country is so small, that I do not think the mint would pay. I hope the government will urge, first of all, the establishment of assay offices, at Dawson and in British Columbia. The country would get a profit from it and keep the gold in the Dominion. I urge the government to see, before establishing a mint, that there are assay offices established.

The motion was agreed to.

The House resolved itself into a committee of the whole on the Bill.

(In the Committee.)

Hon. Mr. MILLS—I might say there is scarcely anything in the observations which were addressed to the House, before going into committee, by the hon. senator from Montreal, from which I at all dissent. I think that every member of the government has considered all the points which the hon. gentleman has brought forward, and no one is expecting that any important profits could be derived from the coinage of gold and silver in this country, or any special advantage will be derived by the people of this country by putting gold into circulation, because, to the extent it so circulates, it will no doubt displace the bank circulation. My opinion is that it will be found that it will not pass into circulation in this country to any extent. It would only be during a period when there might be a run upon the banks, or some distrust for the moment created, that the people would, for a short time, ask to be paid in gold coin; but except under financial excitement of that sort, the circulating medium that is now put in the hands of the people by the banks of the country, is likely to continue. I do not