

mediately. Now, I have no doubt that if the Banks were as visionary in their ideas of speculations and commercial securities, as this writer is of their ability and integrity, the state of things which he describes would come to pass.

My reasons for copying his article at length are, because it represents fairly the opinions of the party opposed to an unrestricted law. I will now show that an unrestricted law would have the directly opposite effect described by this writer, that it would prevent rash speculations, would not increase their circulation in the manner he describes, that there would be no unjust combination of the Banks, no unconceivable despotism, but on the contrary the Banking capital of the country would be equalised among those who require it in their business, an equilibrium of distribution would be the result, mutually profitable and satisfactory.

In the making of our laws the first consideration ought to be the welfare of the people, the general good, to develop the resources of the country, encourage its industrial interest, give equal rights to all and allow no interest to crush another. In a new country like Canada possessing within itself all the elements, in minerals, fertility of soil, facilities of navigation, &c., for a great country, when capital and emigration are counted, any law affecting the natural flow of capital is of vital importance, in fact the proper regulation of our banking capital is the lever which keeps our commercial and industrial machinery in wholesome action.

In all countries money or the use of money acquires a value in accordance with the profits realized in trade, if the profits on trade are high interest is high, if low, interest is low. In new countries the rate of interest always runs high, because profits are higher on account of competition not being great, but in old countries when competition is great and profits small, interest is low. Take for example Great Britain, the greatest commercial and manufacturing country in the world, the rate is generally from 2 to 4 per cent. In the different States of the American Union it varies on the same principle. In Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, Kentucky, Tennessee, 6 per cent is the legal rate; in New York, Georgia, 7 per cent; in Arkansas, Illinois, Iowa, Michigan, Mississippi, Missouri, Ohio, 6 and 7 per cent is the rate, when no bargain is made, but it is lawful to stipulate for any rate not exceeding 10 per cent.; in Texas, and Wisconsin, 12 per cent is the limit, and in California, 10 per cent. is the rate when no bargain is made, but on special contracts there is no limit. In all the States, when 6 and 7 per cent is only allowed it is well known the law is evaded without stint, and the use of money acquires a value upon the principle I state. Now it is just so with us, no matter what restrictions the law puts upon the Banks their money will find its value, as sure as water finds its level.

It is considered unjust to give to the Banks privileges which is not extended to private individuals. Now I maintain that to attempt to create a competition between the private money lender who loans upon his actual capital and the Banks by restricting the latter, is striking at the foundation upon which the success of Banks depends. A Bank is a Bank, and the private