

policy of suspension, and presented what passed for very forcible arguments against the very position which he now maintained.

The Commercial Bank was frankly anxious for suspension, and, as in the case of the Lower Canadian banks, it was backed in this course by the unanimous voice of a public meeting of the merchants and others at Kingston. But as it, too, enjoyed a certain amount of Government patronage and its notes were taken in Government payments, its directors wished to have the sanction of the Government before suspending specie payments.

On May 22nd, Lieut.-Governor Head sent a letter to the chartered banks, in which he expressed his approval of their determination to redeem their notes regardless of consequences, but added that, in response to their representations, should the worst come to the worst he was prepared to receive from the president, cashier and a majority of the directors of any of the chartered banks the accompanying declaration, upon which he would assume the responsibility of authorizing the bank to continue its business, under certain restrictions, until thirty days after the next meeting of the Legislature, without the necessity of redeeming its notes. The declaration was as follows: "We, the undersigned president, directors and cashier of the — Bank, do hereby solemnly declare that in the course of the business of the institution and under circumstances which we cannot control, this bank has actually, in the redemption of its outstanding bills, put out all the gold and silver specie in its possession or immediate power, and that the said bank for the bona-fide want of such gold and silver, and for no other cause, was forced on the — day of — at the hour of — o'clock to suspend specie payment." Such terms being as good as impossible from every point of view, the banks making what virtue they could of necessity sacrificed their customers rather than attempt suspension.

The Commercial Bank then claimed a share in the assistance promised to the Bank of Upper Canada, and the Governor agreed to afford aid proportionally to the three chartered banks of the Province. To enlarge the sphere of service and give additional credit to the notes of the chartered banks, the Governor issued an order to the Receiver General, the Commissioner of Crown Lands, the Sheriffs, Collectors of Customs, Inspectors of Districts and all other public officials, instructing them to