

"CROWN LAW DEPARTMENT,  
"Ottawa, 27th Oct., 1867.

"To Bank Managers at Toronto, Manager of  
Gore Bank and Hon. Mr. SIMPSON.

"Will you ascertain, for information of  
Government now in Council, what are the  
views of the Western Banks in regard to pro-  
gress of panic and ability to meet it.

(Signed), "A. T. GALT."

To this telegram we received a reply in  
each case. I will not trouble the House by  
reading all these replies, for they are of the  
same tenor throughout, but I may say that I  
will hand them to the reporters for the Press  
in order that they may appear afterwards *in  
extenso*. I will read one of them, the first  
that comes to hand. It is from Mr. Smith,  
the President of the Royal Bank, Toronto :

"TORONTO, 27th Oct., 1867.

"To Hon. A. T. GALT.

"The Bank of Montreal having yesterday,  
at several points, refused the bills of other  
Banks, will have the effect of increasing the  
panic which was subsiding. Should another  
Bank suspend all must follow, and universal  
bankruptcy ensue. Think all the Banks can  
redeem unless the panic is intensified. Mean-  
time all discounts are stopped and business  
suffering. Wheat has declined twenty (20)  
cents.

(Signed), "A. M. SMITH,  
"President."

The following replies were also received  
but were not read by Mr. Galt.

"TORONTO, 27th Oct. 1867.

"To Hon. A. T. GALT,

"Run subsiding—gold arriving freely from  
New York. Royal Canadian may want help  
if King continue his course.

(Signed), "JAS. G. WORTS."

"BOWMANVILLE, 27th Oct., 1867.

"To Hon. A. T. GALT,

"Finance Minister.

"Little or no excitement here—good deal  
Toronto and westward—think will spread.  
By sacrificing material interests our Bank  
can stand hard run; can't speak for others.—  
Think steps should be taken to redeem Com-  
mercial notes at par; Government giving no-  
tice that notes of all chartered banks received  
at par in payment public dues—this would  
stop panic. Will be Toronto to-morrow.

(Signed), "JOHN SIMPSON."

"TORONTO, 27th Oct., 1867.

"To Hon. A. T. GALT:

"Telegraph received. Have just come to

town to see the different parties, and will  
communicate result the earliest moment pos-  
sible. Council had better not adjourn until  
they hear from me again.

(Signed), "W. McMASTER."

"TORONTO, 27th Oct., 1867.

"To Hon. A. T. GALT,

"Panic which appeared to be subsiding a  
little, is likely to be greatly intensified by the  
Bank of Montreal having refused Royal  
Canadian bills at some of its branches. In  
the event of this being the case the conse-  
quences must be very serious, and the Go-  
vernment should do something in order to  
avert the calamitous results that must follow  
in Western Canada. I shall wait a reply in  
order to see managers as requested.

(Signed), "WM. McMASTER."

"TORONTO, 27th Oct., 1867."

"To the Hon. A. T. GALT:

"If your Government in Council can suffi-  
ciently control your Bank to continue publicly  
usual courtesies to Western Banks, think the  
panic will subside, and that they will be pre-  
pared to meet the demands of public. Want  
of confidence by it in any one of them at  
present time might prove disastrous to the  
whole.

(Signed), "A. FISHER,  
"Manager Ontario Bank."

The Government then sent this message to  
these gentlemen :—

"OTTAWA, 27th Oct., 1867.

"A. FISHER, Esq.,

"Ontario Bank, Toronto.

"Government have already instructed their  
officers and Bank of Montreal to receive pub-  
lic dues in notes of Banks. We cannot  
instruct Bank of Montreal beyond this point,  
without assuming responsibility of all their  
business, which form of aid could not be  
adopted. Have requested King to go as far  
as consistent with safety, without our actual  
guarantee. He informs us refusal arose from  
mistake of instructions at Kingston, and we  
understand all current notes will be taken by  
Montreal Bank to-morrow. Keep us ad-  
vised.

(Signed), "A. T. GALT."

There was no reply to this message, and  
the Banks, as I have said, did not make ap-  
plication for aid. Coincident with this we  
sent two messages to Mr. King—the first  
read thus: