

on the Dominion Notes Bill.—Hon. Mr. SHAW in the Chair.

Hon. Mr. CAMPBELL said that he had expressed his opinion on the previous day when some hon. gentlemen had argued in favor of a 40 per cent. reserve, that the Finance Minister was not wedded particularly to the 20 per cent. He had said so because he had believed from the Finance Minister's remarks elsewhere that he did not intend to keep only 20 per cent. but that on the contrary he would always keep a larger sum. On consultation with the Finance Minister, he had come to the conclusion that 35 per cent. would be a fair sum to have, and accordingly he would move to alter the bill to that effect. Of course, the sum in reserve would always, for the reasons he had given on a previous day, amount to very little below fifty per cent. It should be remembered that the larger notes issued by the Banks were never issued except for gold, and the House was only called upon to legislate with reference to the small notes; and as respects the limitation of the issue, he did not think it necessary, for the Government would only issue the notes through the banks and could not go beyond the requirements of the country.

Hon. Mr. MACPHERSON expressed the gratification he felt at the announcement of the Postmaster-General.

Hon. Mr. SANBORN said that it had been quite manifest to those engaged in business throughout the country that there had been a great scarcity of notes of a small denomination. The amendment, however, now proposed, seemed to him to be rather in the interest of the banks than in that of the public; for he did not see that there was to be any security, that the smaller notes would be put into circulation.

Hon. Mr. TESSIER did not consider that the amendment was an improvement, so far as the original intention of the Bill was concerned. The \$9,000,000 provided for originally would have been quite sufficient for general business if the notes had been circulated, but the banks had kept them locked up because they wished to give circulation to their own notes of four dollars and upwards. The object of the present Bill was to remedy this state of things, but he did not believe it would be accomplished to the extent anticipated. If the Finance Minister had been allowed to deposit a certain amount of these notes with the different banks, for which he was to receive no interest, then the banks would find it to their profit to circulate them. On the other hand, if Government took away from the banks the interest

they had in circulating those notes you defeated the object of the Bill. The double liability of the bank, was a better security than the additional 15 per cent. imposed by the amendment

Hon. Mr. WARK made some remarks but he was only imperfectly heard.

Hon. Mr. BENSON said that he had always been opposed to the principle of the Bill—the issue of Dominion notes. He had every confidence in the present Finance Minister, but we should guard against the future in legislating for the monetary concerns of the country. He did not think the bill was much improved, and regretted the issue of notes was not limited.

Hon. Mr. NORTHUP reiterated the opinion that the measure would be beneficial to public of Nova Scotia, inasmuch as a large amount of notes would certainly go into circulation.

Hon. Mr. CAMPBELL said that certainly no one could accuse the present Finance Minister of a desire of favoring Banking institutions. He was sure that smaller notes would get into circulation, and if any difficulty should arise on account of the Banks not lending their assistance—he did not apprehend that—then the Government would take steps to remedy it.

Hon. Mr. SIMPSON believed that the Government had acted prudently in meeting the views of hon. gentlemen and would be glad were they also to limit the issue of the notes.

After a few remarks from Hon. Mr. WILMOT,

The Bill was passed in Committee.

INSOLVENCY LAWS.

The next order of the day, the Bill to repeal the Insolvency Laws (from the House of Commons) was then taken up.

Hon. Mr. SANBORN said that he deemed it advisable to make a few observations in moving the second reading of a Bill which had created a good deal of discussion throughout the country. The Insolvency laws, as they existed in the Dominion of Canada, had been in force for three years; and substantially they were in operation since 1864 in the united Province of Canada. It was urged that a law regulating the affairs between debtor and creditor was necessary for the interests of trade and commerce, and that it should be of a permanent character. That was, however, a subject of debate; no laws in England or the United States relative to bankruptcy had been of a permanent character, but liable to change. At present the Insolvency laws of England,