

of Canada and the houses of Glyn, Mills & Co. and the Barings. The hon. gentleman may come to find, as other Finance Ministers have found, that dealing with a Canadian bank exclusively is a grave inconvenience, when that Canadian bank's resources, large as they are, may be strained by exigencies on this side of the Atlantic, and I am bound to say that, considering the comparatively small amount of the saving effected, I think he would have consulted the dictates of prudence better by abstaining from putting all his eggs into one basket, as he has done in the case of the Bank of Montreal.

Mr. FOSTER. I may say to my hon. friend that the contingency which he has especially brought to the attention of the House did not escape my own attention. I know it is a vital point, and I know that a failure to regard that point would be poorly compensated by a saving of even thousands of dollars on management. But I took especial pains to inform myself on that point by the best means open to me in London; and, without saying anything against the Barings and Glyn, Mills & Co., who have done our business well, and are reputable and strong concerns, I have no hesitation in saying that we can deal just as safely in these respects with the Bank of Montreal as we have done with the Barings and Glyn, Mills & Co. There are several things to be taken into consideration. Under ordinary circumstances, the amount of money we shall have to raise in England from this time out will be comparatively small until the years of redemption come around. But the redemption of old loans is a very different thing from making new loans for new services in the country. Ordinarily speaking, I do not think there is a shadow of a doubt that all the accommodation necessary and all the loans necessary can be just as well brought out under the auspices of our present agent as under the auspices of the old; I do not say better, but I think equally well. The position of Canada's credit, too, is better than it was ten or fifteen years ago, and naturally so, because we are an older country, and the management of our financial affairs and the regularity with which everything has been done, have raised our credit in London to a higher pitch than was the case ten or fifteen years ago, when our former arrangements were entered into; and, unless there should be something very extraordinary in the state of the market, it would not be difficult for us, even if an emergency on this side should make it necessary for us to raise more than we do in ordinary seasons, to go on the London market through the Bank of Montreal and its affiliations. I may say that we are not bound to negotiate through the Bank of Montreal, and I have taken the precaution, in case something extraordinary should happen, to have the power of associating with the Bank of Montreal other banks in London, if in the opinion of the Government it is bet-

ter that that should be done, in bringing out extraordinary loans. So that, taking all these things into consideration, I think we are fairly certain, whilst contingencies must always be provided for, and whilst we make a saving in the ordinary expenses, that we are not abating anything of the safety and security and prestige which are necessary to have our money matters well cared for in the city of London.

Sir RICHARD CARTWRIGHT. I would just recall to the hon. gentleman's mind one fact. He knows that the Australian colonies always stand in very good credit in London. Latterly their credit has not been so good, and it has been found that, powerfully associated as the Australian banks were, they were not able to render the same assistance to the Australian colonies, though favourite colonies for investment, that houses of the standing of our late agents could have done. That is a mere matter of fact, well known on the London market, and a fact which the hon. gentleman will do well to bear in mind. I have nothing to say against the Bank of Montreal. In its individual capacity it is likely to do as well as any bank I know, possibly as well as any London bank. But it will be liable, as the hon. gentleman knows, under certain contingencies, to have its resources drawn upon heavily in Canada. There might be some advantage in having the Bank of Montreal as our Canadian banker, and Glyn, Mills & Co. as our London bankers. However, I have discharged my conscience in the matter. I would have hesitated, however great the possible gain, to take the risk, but that is the hon. gentleman's affair. The transfer has actually taken place. I suppose?

Mr. FOSTER. Yes, on the 1st of January.

Mr. McMULLEN. Before we leave this point, I would like to ask the Finance Minister whether the promise made by Sir John Macdonald, at the time Sir Charles Tupper was appointed High Commissioner, that a very large saving would be effected by utilizing him in the handling of our financial matters in the interest of the Dominion, is likely to be fulfilled? For several years this question has been put to the Finance Minister, and he has stated on several occasions that our contract with our financial agents in London would not expire until the first of the year, and that the Government would then possibly have an opportunity of utilizing Sir Charles Tupper and his staff for the purpose named by the late First Minister. I would like to know from the Finance Minister whether any effort was made by him to reduce the commissions or the expenses in London by using Sir Charles Tupper's staff in that way?

Mr. FOSTER. I may say, in reply to the hon. gentleman, that I always had it in mind, when the ten years expired, to make an investigation into that subject, with the view