prepared ourselves for less prosperous times? Let us look the matter fairly in the face. Have we not continued our importations beyond the requirements of the country, and instead of lessening our indebtedness in England and elsewhere, spent much of our means in high living, in real estate, or other property not now available? Forsaking the sure returns of industry, have not too many of us preferred the uncertain results of speculation, till at this moment, notwithstanding the fertility of our soil, and our manufacturing advantages, we are large importers of many articles of produce and manufacture from the neighbouring States? Are not our first merchants crippled by the reckless competition of less scrupulous neighbours, and our factories shut by the high price of living, and of course of labour, induced by the neglect of agricultural development. Has not the desire to push trade placed our agricultural population largely in debt, and these in defiance of all sound business principles, withhold payment till it suits their convenience? Added to this have we not, by our foolish usury-laws, virtually forbidden the introduction of foreign capital, and left the Banks to supply its place by the issue of an amount of paper money, calculated, in times like these, to weaken the best managed institutions.

It is a remarkable characteristic of our nature, that whenever a difficulty occurs, we are ever ready to cast the blame anywhere rather than on ourselves; and we need not wonder that in the present emergency, the Banks have become, as usual, the objects of attack. It is a popular fallacy that hard times are caused by the action of the Banks, and that were they to discount liberally at all times and under all circumstances, no serious pressure could occur. We forget that Banks as well as individuals, however willing to extend their business, are subject to the unalterable laws of trade, and when these laws demand contraction, they cannot with safety follow a different course. It is the constant recognition of this principle that has given the Banking Institutions of Canada, the high character they every where enjoy, and has enabled them to pass in safety, through the darkest hour of commercial depression or political strife. Yet these truths, although generally admitted, do not deprive us of the benefit of many crude theories as well as valuable suggestions in times of emergency, and if in the multitude of councillors there is safety, there need be no fear for the safety of Canadian Banks. One writer, after stating that the Banks have already loaned too much, proposes as a remedy that they suspend specie payment *discount liberally, and so roll forward the tide of prosperity now so rapidly receding*. Every experienced merchant knows the result of increasing the liabilities of a customer in difficulties in order to carry him through. Are the Banks any exception of the general rule? Let us not forget that the Banks have already discounted to the utmost safe limit; and that instead of the money being employed to develop our own resources, much of it has been sent abroad to purchase articles of luxury which we did not want, or articles of necessity which should have been produced at home. Another, with greater show of reason, invokes the aid of the Banks in order to bring to market the large crops now in store all over the country, and to bring forward which not one large capitalist, it is said, is now engaged. It is doubtless desirable, nay absolutely necessary, to bring our crops to market, in order to relieve the country; but are the Banks in a condition to render the required assistance? or, if able, are they called upon to enter an arena of speculation in which private capitalists fear to tread? Had they