

the six months previous to the run,—the object to be attained being in my opinion simply to prevent the embarrassment which must be caused by a complete stoppage of customary accommodation, and to enable the community gradually to reduce the debt which they owe. I think that debt cannot be paid without the exportation of Gold and Silver, and I do not think such exportation would have the effect of retarding the resumption of Specie payments.

*Ans. 3.*—I think it highly necessary that there should be a general Banking Bill, but as the Imperial Parliament have been giving particular attention to the subject, and maturing a measure to correct the existing evils of the system in England, it may be well to wait the result of their investigations.

*Ans. 4.*—I think if the Banks are bound to redeem any description of Notes in Silver, that description of Notes will be entirely withdrawn from circulation; and if the Legislature compel the Banks to keep up a certain proportion of such Notes, they will be as unable to discount as they are at present.

*Ans. 5.*—The Banks will not, I think, give any premium for Debentures unless they are deposited with them to be used, as required for the improvements, in which case they would be worth a premium depending on the probable time they would be, and the extent of circulation likely to be gained when paid out.

*Ans. 6.*—On Debentures payable in England the Banks would of course be entitled to pay the current price of Exchange on London. My opinion is, that the Debentures should be issued by the Government to the Commissioners of public improvements, or to the Companies to whom they are lent, who would make the best bargain they could both for the Home and Foreign Debentures. If negotiated by the Receiver General they would probably not bring over par, as the Bank purchasing could not depend on their Notes being immediately returned in their redemption.

*Ans. 7.*—I am inclined to think that in case a suspension of Specie payments took place, the unemployed money in the Country would be invested in these Debentures, and might probably decrease the Bank deposits and circulation. This might have the effect of checking over issues, but it might also diminish the means of the Banks more than may be advisable.

Bills discounted	1st January, 1837,	£28,446
“	“ 15th May, “	23,096
“	“ 15th June, “	21,104

*Answers of MESSRS. TRUSCOTT, GREEN, & Co., to the above questions.*

*Ans. 1.*—Specie, £3427 3s. 1d.

Notes, 2754 10 0

£6181 13s. 1d.

We do not think it necessary that the Legislature should determine what amount of Specie the Banks should keep in their Vaults; the course of business will accomplish it.

*Ans. 2.*—When the States resume Cash payments, Specie will be at par value, consequently the Banks will be able to provide Specie at the same rate; it would only tend to cripple the Banks by obliging them to lock it up.

*Ans. 3.*—This we conceive is not the most suitable time; the experience of the next six months will enable the Legislature to arrive at sounder conclusions.

*Ans. 4.*—It would put small Notes at a premium, and withdraw them from circulation.

*Ans. 5.*—If the Debentures could be made available to the Banks, to ward off the demand for Specie, there would be little difficulty in negotiating any reasonable amount.

Such Debentures will not be at par with Gold and Silver, their real value will be determined by the price in England, which is at present about *par*.

*Ans. 6.*—We should think the Banks could give the current rate of Exchange of the preceding year.

*Ans. 7.*—It will have such an effect.

*Ans. 9.*—Under Discount, £33,884

This day, . . . . . 34,937

Debts due us, . . . 3,720

TRUSCOTT, GREEN, & Co.