

practically a gold reserve of about \$40,000,000. We pride ourselves upon the soundness of our banking system, and I do not think that any man in Canada who is a judge upon financial questions would seriously criticise our banking system, yet we find that so far as the reserve of the banks is concerned they have only a reserve of about fifteen per cent against deposits and circulation and that reserve of fifteen per cent is regarded as sufficient to satisfactorily answer the financial requirements of Canada. We have not enough circulation at the moment for the needs of the country, while at the same time we find the government of the day maintaining a reserve of twenty-five per cent. My contention is simply this, that so far as that reserve is concerned, in times of financial stringency it might be considered, and by many would be considered, sound finance, that the government should from that reserve relieve the stringency from which we are now suffering so long as the reserve did not fall below the reserve maintained by the banks for circulation and deposit. The maintenance of any other policy seems to me to deprive this country of the circulation to which it is entitled. These deposits would under other conditions probably go into the banks. We have over sixty million dollars of deposits in the post office savings banks. If these deposits were not taken and administered by the government, they would doubtless be deposited in the chartered banks and go into circulation subject to the same reserves that apply to the circulation and other deposits of the banks. The point I desire to make is this:—If the government of the day has diverted from ordinary circulation by the establishment of a reserve exceeding what is required, or by spending the amount of money of which we have been in receipt in capital expenditure which should have been made by foreign moneys, then the circulation of the country is restricted to that amount. I think this is a matter which is worthy the consideration of the government. It has been suggested to my mind by the clause in the address. I asked my hon. friend to-day if the correspondence could be put upon the table referring to the negotiations which have taken place as to the submission of the fisheries question to the Hague

Tribunal. It would be very desirable in discussing this very important question that we should have some information upon it. International questions between the United States and ourselves frequently receive more serious attention in the United States than they do in Canada, and we invariably find a strong public sentiment at the back of all international claims made by the United States so far as this country is concerned; but in Canada, unfortunately, those questions are considered academic. We pay little or no attention to them. The consequence is we find no public sentiment behind the assertion of the claim when it is being considered by our own government or by tribunals of arbitration. Therefore it is very desirable that the people of Canada should be put in full possession of all available information relating to questions of this character. I must say that I am at a loss to understand how this question has come to be submitted to the Hague Tribunal. Up to a very recent date the Imperial authorities have taken strong ground upon the validity of the claims of Newfoundland and as we, apparently, have been joined in practically the same dispute, it becomes a matter of considerable importance to the Dominion that before the question is submitted to the Hague Tribunal, the people of Canada should have full information on the controversy involved. I had occasion to look into the matter in connection with this address, and it seems to me that the submission of this question is equivalent to our waiving to a very large extent the strong position taken by both Newfoundland and Canada and the Imperial authorities. Great Britain is the only civilized nation, so far as we know, that has conceded to aliens or foreigners the right of sharing with her own subjects, the fisheries wealth of the marine belt of territorial coasts of Newfoundland and Canada without any return therefor. When one takes into consideration that any concession granted to the United States has been entirely gratuitous on the part of Great Britain and has not been coupled with any consideration in return, it naturally evokes a sentiment of protest that any unreasonable demand should be made by the United States as has been done in this particular case. Under the treaty of independence, the United States claimed