

say, that, with a few amendments suggested by experience, the noteholders would, under it, be more secure than under any other system yet suggested : while no other yet propounded possesses the quality of elasticity which is so important, I may say, indispensable, in this Dominion, especially in the great agricultural Province of Ontario.

It is noteworthy that no Solvent Bank suspended in Canada until after the "Provincial Note Act," commonly known as the "Legal Tender Act," found a place in the Statute Book. Many are of opinion, and I confess I share in that opinion, that but for that Act no solvent Bank would have suspended to this day ; and that the Bank of Upper Canada would have been the solitary instance of failure.

Considering the true merits of our system, exemplified in the country's great prosperity and progress, to which our Banking system has been the hand-maiden, I think you might well have withheld the adverse criticisms in which you indulged in regard to it ; and refrained from suggesting that frauds might be committed under it, which never had been committed, or attempted, and which could very easily be rendered impossible. It was no light matter for one in your high position, to utter words calculated to shake the confidence of the people in the currency of the country ; and in my opinion, it would have been wiser, and more for the interests of the public, to have amended and improved what was known to possess so much that was sound and suitable to the country, instead of proposing its overthrow.

All will admit that it is the duty of Parliament to determine the conditions under which the currency of the country shall be issued, circulated and redeemed, and to make those conditions such as will insure its ultimate safety, and (as I think) its instant convertibility into gold. Banks being, so to speak, the centre of the commercial system, have long been recognized in civilized countries as the safest and most convenient managers of the currency. Parliament, on the other hand, has nothing to do with regulating the business of Banking, so far as dealing in money is concerned. That, like every other business, must depend for success upon the ability and skill with which it is conducted. If Banks lend money to parties who cannot repay the loans, they must lose, just as merchants do who sell goods to those who cannot pay for them. While thus Parliament cannot and should not try to render banking, as a business, safe and profitable, yet it can very easily render the currency circulated by the banks perfectly secure.