

the effect that might be produced upon the financial system of the country by the establishment of a mint and the creation of a gold coinage. It seems to me that the motion of my hon. friend from British Columbia opens a very wide field of consideration on financial questions, which, I must confess, I do not fully understand myself, and would not undertake to discuss in this House before so many gentlemen who have a thorough training in banking and financial matters. I should have been very much pleased if some of these gentlemen had expressed their opinions on the subject. However, I must say that one of the most important features of our financial system is the issue of Dominion currency. This Dominion currency, it seems to me, if we were to coin gold, would either be largely replaced by that gold coinage, or the coinage itself would be useless. If we had enough gold coinage to make it worth while to establish a mint—which I agree with my hon. friend from Nova Scotia would have to be under the management and control of the Government itself—if there was any amount of coinage, such as would suggest the necessity of establishing a mint, it is plain that it would be a substitute to a large extent for the Dominion currency which is now being issued by the Government, and which, of course, it is an advantage to the Government to have in circulation. There are several momentous questions that turn upon that, it seems to me, which my hon. friend has not discussed, and which I think would require very careful and mature consideration and discussion. He thinks that the coinage of gold in this country would increase the value of gold. I think—and I say it with deference to hon. gentlemen that I see around me and before me who understand financial questions better than I do—that it would have no effect whatever on the value of gold, because that is not determined by any nominal value we might choose to give it in a coinage that we might issue. There would not be enough gold consumed in that coinage to raise the price of gold over the globe, and that is the only way in which the issue of gold coins in this country could raise the price of gold for the benefit of its producers—that is to say, so much of it would be taken out of industrial use and placed in circulation as to raise the price

of gold over the face of the earth. Again, I say I am not competent to discuss a question of that description. It appears to me that the answer to the suggestion is plain, that we could not use, and would not require to put in circulation, gold enough to affect the price of gold throughout the world—that is to say, to diminish the supply of the metal for industrial purposes throughout the world. There are other considerations. What is the object of tying up our gold in tokens for circulation, when we issue tokens for circulation which are of equal value, equally useful, more portable, and which do not render entirely useless and unproductive a large quantity of valuable material? Four or five millions of gold coinage would simply render that much material useless and valueless, except as a token in exchange for merchandise or compensation for services. Our Dominion notes suffice for that purpose, and the gold can be used for industrial purposes, for the production of things which are valuable, and in the production of those things a great number of people can be employed and thus add, of course, to the resources of a vast number of persons. As a gold coinage it is no more than buttons or chips. It serves as a conventional equivalent for an equal amount of merchandise, or an equal amount of indebtedness, for which purpose our Dominion notes, which cost nothing more than the production of them, are equally valuable.

HON. MR. McINNIS (B.C.)—What is the amount of gold required by the Government to be held in the banks at the present time—foreign gold? My proposition was, that the foreign gold should be replaced by gold of our own—gold of Canadian coinage.

HON. MR. ABBOTT—My hon. friend says he wishes to replace foreign gold in our banks by gold of our own. If we get foreign gold and put it in our banks we have to pay for it, and we would have to pay for our own gold. I do not see what advantage is to be gained by the substitution of a coinage of our own for a foreign coinage in the banks, unless, as I said before, the coinage of so much gold would take out of the markets so much gold as to increase the value of gold in the world. Then it would be of use to the miners in British Columbia and Nova Scotia, but