

grants, but further my hon. friend considered it his duty to refer to the Premier's trip and to say that his remarks ought to have excellent results to Canada. I am not ready to admit that the Premier's trip should have had such results. The hon. gentleman was, without doubt, a living and eloquent proof in the old world of what can be done on Canadian soil by energy and hard work in the way of obtaining a high position. From this point of view, the presence of this hon. gentleman in the country in which he was born, I really believe, ought to be a very powerful recommendation with the residents of the old world, in the way of inducing them to come and visit Canadian soil, and excite within them a desire to settle here permanently; but I regret that under the circumstances to which the hon. gentleman made allusion, the Premier made himself the advocate of an economical theory which was above all things in our present position, peculiarly unfortunate, for he judged it *apropos* to extol the advantages of Free Trade, and on the eve of the deplorable crisis from which Canadian industries are at present so seriously suffering, being; in point of fact, on the verge of complete ruin. This theory, we believe, if carried into practice, is well calculated to contribute to such ruin, at least in a large degree; hence I particularly regret the reference made by the hon. gentleman to this point. I would not have made this remark, had such allusion not been made, for if, under the circumstances, I had not entered a dissent with reference to this theory, which would be fatal to the industrial interests of this country, if put into practice, to receive the eulogy of the course followed by the Hon. Prime Minister on that occasion without protesting might be considered as an approval of such sentiments.

Hon. Mr. WILMOT—I wish to make a few observations, because it has gone abroad that this House is an effete body. I consider, however, that any question affecting the political, social or financial interests of this Dominion can be discussed just as intelligently in this House as by any other legislative body in the world. The leader of the Opposition, in his bland way, does not wish to have things discussed at all, but I think we can all agree in thanking the Governor General for the views he has so ably expressed in Great Britain with respect to the prosperous condition and general comfort existing in the Dominion. With reference to the

present depression of trade affairs in the country, I have been for some time taking notice and calculating its causes. I have seen that the extravagance that has characterized expenditures, personally, and municipally, throughout the Dominion generally, and by the Dominion Government, must sooner or later have led to this result, supposing there was no cause outside of the country. I have formed the opinion that the general depression of trade throughout the world, has been very much attributable to the large war indemnity paid by France to Germany, and this circulating medium which was the basis of the currency of the commercial world, has been locked up in the coffers at Potsdam. France really paid out only some £57,000,000 sterling out of a total of £216,000,000 sterling, the balance being negotiated in the various money markets of the world with commercial paper. The rise in gold in the United States has been in consequence of the sale of the debentures of that country in Germany, which were afterwards resold to the United States, thus restricting circulation and bringing down prices. Coming to our own country, I have watched the course of affairs with regard to the circulating medium, and I will give some figures which will at once show that we must necessarily have had commercial depression. I do not know that this is exactly the time to bring this matter before the House, but here are the figures to which I allude: I find that in September, 1874, the notes in circulation were \$29,041,273, and on the 30th of September, of the year following, the notes in circulation were reduced to \$21,130,128, showing a reduction of \$7,916,145.

Deposits on demand, Sep-	
tember, 30, 1874.....	\$12,376,970
Deposits on demand, Sep-	
tember, 30, 1875.....	35,630,430
Specie held Sept. 30, 1874...	7,915,445
Specie held Sept. 30, 1874...	6,737,540

Any man will come to the conclusion that such a decrease in circulation could not have occurred without general embarrassment. The failures during the past year amounted to over \$30,000,000. When there is commercial depression in the country, it is a matter that should certainly be investigated when Parliament meets. The banks are really responsible for the circulation of the country, and it is a very fortunate thing that they are by their own showing in a sound state; but we can hardly say that the borrowers from the