

president and directors of the bank declared themselves unable to accept them, especially as the Bank of Upper Canada and the Gore Bank, which followed its policy, were not prepared to suspend. It is to be remembered that the public were much more anxious for suspension than the banks. Hence public sympathy was entirely with the Commercial Bank and against the Governor and the Bank of Upper Canada.

On July 7th, at a public meeting of the Toronto Board of Trade, various resolutions were passed condemning the action of the Bank of Upper Canada in selfishly maintaining specie payments and withholding discounts from the merchants and others, while the bank employed its capital in more profitable speculations in foreign exchange. A public meeting at Cobourg on August 1st also strongly condemned the Bank of Upper Canada for its selfish attitude, and the Governor for the harsh conditions attached to suspension, and undertook to support any bank which would suspend in order to increase accommodation to the public.

At first sight it might seem strange that a bank should be accused by the business men of a country of selfish action in maintaining specie payments and declining the chance of revenue from even temporarily irredeemable notes. But, owing to the policy of the Governor, the bank could suspend payment of its notes only after it had paid out all its specie. Hence to increase its accommodation was simply to hand over its specie to the public at ordinary discount rates and deprive itself of the most profitable part of its business. Now, the Bank of Upper Canada owing to its Government connection had an exceptionally strong command of specie and exchange, and it naturally wished to enjoy to the full the high profit on these. At the same time it could enjoy without risk to its reserves a limited but profitable note issue owing to the urgent needs of the country for a circulating medium. It is true that the Bank of Upper Canada, quite unlike the Bank of England, had divorced its own interests from the general interests of the country and was likely to suffer from this in the end, but in the meantime it was certainly reaping large immediate profits from the policy of "every man for himself and the Devil take the hindmost." While the question of suspension still filled the public mind the Toronto *Patriot* proposed that the banks, while still redeeming their ordinary notes