

frequent, and attended with more disastrous consequences than at any former time ; and the object now to be desired is the adoption of some permanent plan, which may indeed place the country upon a fixed and settled basis.

That the currency measures described under the denomination of the Act of 1819 were passed in utter ignorance of their real character ; that those measures altered the value of money about 50 per cent., and consequently affected all taxes, contracts and engagements, to that extent, while the Legislature, which concurred in those enactments, supposed they would effect a change not exceeding from three to five per cent. These are now historical facts, and the injustice and impolicy of the Act of 1819 is therefore as undeniable, as it is indisputable that the Act in question would not have been adopted had its true nature been understood.

Setting aside, however, these considerations, serious and important as they are, experience has now shown that the Act of 1819 was not only unjust and impolitic, but that it never has been, and never can be, carried into effect, consistently with the welfare of the country.

The restrictions on the currency, required to bring into practical operation the Act of 1819, will not admit the possibility of maintaining the amount of circulation absolutely requisite to supply the wants of commerce and active industry, and imperatively demanded by the increasing productions, and population of the empire.

The truth is, that without a most extensive system of blood-letting, in the shape of the failure at one period or another of a large proportion of traders in Britain, the United States and Canada, (for the same monetary principle curses them all,) the bullionist or hard-money theory would have blown up in anarchy and revolution long ago. These results were in fact as nearly as possible precipitated in England in 1847, and on other occasions of the exportation of the precious metals, the presence of which in the country, the law (forsooth) has made necessary to prevent paralysis in all our personal transactions.

I have thus been speaking rather to your readers than to your correspondent. It seemed an object that ground common to us both should be understood by your readers. Our common principle I may describe thus, that our monetary circulation should be as free as the air we breathe ; the only question regarding which is as to its purity. No one complains of the superfluity of the air around us, knowing that it is only the portion that is taken into the lungs that is used ; so all the paper that would become money, even if all the warehouses in Toronto were filled with bank-notes, would be the portion taken by transactions, which are the lungs of trade ; and no man or banker would allow any notes, *which were properly secured to be worth a certain sum*, to be issued or given away for any less sum. It is therefore THE SECURING OF THE PAPER MONEY that is the whole question.

Neither your space nor my time will allow me to explain in this communication what I believe the fallacies of your correspondent's views ; but I shall be glad to do so hereafter if you will allow me. And to rid the question of personalities as far as possible, I shall adopt an old signature over which I used to write on the question of money.

A MONETARY REFORMER.