

able property in this country. Where does that money go? It does not remain here. It is drained off in the dividends of the banks, and of the various companies that are lending at usurious rates of interest. It is going out of the country. And what do we get in return? More facilities for borrowing. And I ask honorable gentlemen from Upper Canada—I do not know how far this is applicable to Lower Canada—whether it is not true that an immense number of our youth, now in the armies of the United States, have gone away because the properties held by their fathers are so heavily mortgaged that they had no hope of retrieving them. Speaking for my own section, I can say that there is scarcely a young man who can now look forward, as was the rule ten or twelve years ago, to succeeding his father in the family homestead. I say then that this generally depressed state of the country, without any prospect of relief, causes a large amount of uneasiness in the public mind. And there is no doubt that a good deal of the feeling in favor of the scheme which honorable gentlemen take credit for, is influenced by the desire to look for some change, as a relief from the depression under which we labour. And I am not without authority for the statement I am now making. I shall read from an article published only a day or two ago by one, whose name I am sure is well known to the commercial community generally—who has contributed more than any one else to the statistics of our trade and commerce by his labors in Toronto, and subsequently in Montreal—I allude to the Editor of the *Trade Review*. I shall read from that article, and shall then ask the House to say whether I have been exaggerating. I am now speaking more of the condition of our farmers, and those who have been induced to borrow on account of the facilities afforded for getting money; I shall come presently to speak of the trade and commerce of the country, and shall prove from the same source that the statistics of our trade shew both to be in a deplorable condition. I do this to show that we should not blindly incur an immense liability in the matter of defence, when we have no means of meeting the outlay that may be imposed upon us. When the Hon. Solicitor General (Hon. Mr. *LANDEVIN*) and the member for St. John's (Mr. *BOURASSA*) had a race every year to see who would be foremost in bringing in his bill to reduce the rate of interest, the member for South Oxford (Hon. Mr. *BROWN*) of course insisted on the

maintenance of his pet scheme, which, in my opinion, has done more harm to the country than anything else. I regret that the House should have agreed so far with the honorable gentleman in maintaining that policy. As I said before, in a country like this, where our wealth is in our lands, where we own but little money—when our crops fail, how can we meet the extravagant demands made upon us by those from whom we borrow? But I will proceed to read what the *Trade Review* of February last says of our present laws on the subject of usury:—

The framers of these laws evidently intended them, we think, to protect the trader and the farmer from the extortions of money lenders, and, as such, they may have been suited for the time, when banking was solely in the hands of one or two corporations, which, of course, were monopolists. But competition has now fairly effaced all possibility of oppression from such a source. These laws, in fact, instead of guarding the interests they were intended to protect, only serve to drive their representatives into the enemy's quarters, and leave them at the mercy of the oppressor. Mercantile paper, which our banks are not willing to discount at seven per cent., is handed by the needy trader—who is in want of money to meet the pressing demands of some creditor, or to retire some notes falling due—to a broker, by whom, perhaps, after getting a bond over part of the trader's property, the paper is discounted at a rate more nearly assimilated to that at which respectable bankers are selling "current fund" drafts upon New York (say fifty per cent. discount) than a fair rate for commercial paper. This is the kind of protection our usury laws afford. Rather a rude nurse, we should call them, for our undeveloped "resources, and our infant manufactures."

That is the language of the reviewer, one whose business it is to review, not only the monetary condition and the commerce of the country, but every branch of our industry and trade, and he seals with his judgment the statements which have been made as to the deplorable condition into which the existing usury laws, in this and in former years, have brought the country. That is one of the consequences of free trade in money. The honorable member for South Oxford in answer to a remark from this side, said this afternoon that the commercial interests of Upper Canada were in a most prosperous condition.

HON. MR. *BROWN*—I did not say "a most prosperous condition." What I said was this—that the honorable member for Chateauguay had exaggerated the difficulties now existing in Upper Canada; that the