

there is absolutely no specie in circulation. What gold or silver there is in the country is carefully hoarded by avaricious persons.

The tendency to private hoarding, which at that time was quite common and natural in all countries, was specially characteristic of the French peasantry and has remained so to this day in both France and Canada. In Canada, however, it was not carried to such a miserly extreme as in Acadia. The characteristic is worth remembering, as it will serve to explain the sudden and unexpected appearance of specie in considerable quantities in localities whence it was thought to have completely vanished.

This fact presents a striking exception to the usual interpretation of Gresham's law as indicating that the introduction of inferior money will drive good money out of the country. In Canada the introduction of inferior money simply permitted the better money to be hoarded within the country. Hence, although in the period upon which we are entering almost nothing was visible in Canadian trade but paper money, we are not justified in coming to the conclusion that there was nothing but paper money in the country, even at the time of its greatest depreciation. Opportunities frequently occurred for obtaining specie from without, and, so far as we can trace its movement in Canada, it is almost always on its way to the private hoard, not on its way out of the country.

Even before the issue of the new card money its disposal was provided for. To meet outstanding deficits up to 1739, 32,581 l. were required, and the remainder was to be devoted to the deficits of 1740 and 1741. That for 1740 amounted to 28,981 l., and it is with pain, as the intendant pathetically puts it, that they have to announce the deficit for 1741 to be 103,169 l.

The 120,000 l. of extra card money had therefore vanished before it was issued and the treasury was as lean as ever. With true Gallic politeness they daintily insinuate that there would not be the slightest danger should the card money be increased by even another 80,000 l., making the increase an even 200,000 l. However, as they add, the matter is of so delicate a nature that they hesitate to do more than merely suggest it at present.