

difficulty, especially in the settlement of cases brought to court. To definitely settle these differences, an Act was passed in 1821 providing that no interest should be collected on notes, bonds, or other contracts in which the sums were expressed in York currency. No rendering of accounts and no presentation of books in court were to be deemed legal where they were presented in York currency. Thus was York currency finally displaced by Halifax currency. Yet so strong is custom that for nearly half a century afterwards in the older sections of Upper Canada prices continued to be quoted and farm produce bought and sold in York currency.

In 1825 the British Government undertook to correct all the anomalies of colonial currency by introducing the British sterling currency as a standard of value and medium of exchange throughout the Empire. As already observed, among the French Canadians the old French coins, so far as available, constituted the favorite currency, while in the English settlements, in the city of Montreal and throughout western Canada, the Spanish and American dollars, with a miscellaneous fringe of other gold and silver coins, constituted the general medium of exchange.

In 1816 Britain herself had adopted gold as a standard and silver became a token money, its face value being above its intrinsic value, while its legal tender was limited to 40s. In 1821 the Bank of England resumed specie payment. At this time also the Spanish colonies were achieving their independence, the silver mines passed out of the hands of Spain and the supply of Spanish dollars was checked, leaving henceforth the American dollar in command of the field. In view of these conditions and especially of the successes which attended the re-adjustment of the British coinage, it was perhaps natural for the Government to suppose that they could re-construct the currency system of all parts of the Empire. It was resolved to make use of the extensive payments in the colonies through the Military Chests for the purpose of effecting the desired change. The Lords of the Treasury, in a minute dated February 11th, 1825, set forth their scheme for re-organization and the arguments in support of it. They acknowledged that in most of the colonies the Spanish dollar was at once the prevailing coin in circulation and the standard by which all other coins were measured. But the Spanish dollar was greatly over-rated, it was paid out by the Military Chests at 4s 8d. when as a matter of intrinsic value it was scarcely above 4s. and at the rate of British silver coinage it would be 4s. 4d.

Under the circumstances the Lords of the Treasury had reached the conclusion that the best medium, alike for the payment of the British troops quartered in the colonies, and for colonial exchange, was the British silver and copper currency. This currency, however, must be