

fax to raise the value of the dollar to five shillings, or one fourth of a pound. This was the origin of the 11 1-9th per cent, or as it has been ever since called, "Halifax currency," adding 1-9th to turn sterling into currency, and deducting 1-10th to reduce currency to sterling.

There were in those days, and for a long time subsequent, no British coins, either gold or silver, in general circulation. Guineas were occasionally, but to no great extent, brought by travellers and immigrants, with some half-worn shillings, and now and then a few crowns were to be met with; but the principal circulation was—in gold, the *Joe and half-Joe*; and, in silver, the *Spanish dollar and parts*. Some doubloons might be found, though sparse enough not to be considered as forming any part of the circulating medium, the value at which they were then current being £3 12s. currency each, far less than they should have borne in proportion to that at which the "Joe" passed.

About the year 1812, the "doubloon" was conventionally raised to £3 15s., then to £3 17s. 6d., and subsequently to £4, and with its half, quarter, and eighth, became the gold currency of Nova Scotia, and so continued until after 1821, when the Spanish American Colonies were detached from the Mother Country, and issued their own gold and silver coins, which were brought to Nova Scotia in large quantities by the West India traders, particularly from Jamaica; but not being of equal fineness with the "old Spanish doubloon," so-called, they passed first at only £3 17s. 6d.; becoming, however, in a short time current at £4, they simultaneously with the "Mexican dollar" displaced the coins of greater fineness and value.

The next change was caused by an attempt of the Imperial Government to introduce and make British silver the basis of the Colonial currency. It was imported and paid to the troops at par. The Commissary General professed to receive it back in payment for his bills of exchange on the treasury, at three per cent premium, that is, £103 in silver for £100 in bills. This arrangement being considered somewhat extortionate, the three per cent was commuted to one and a half per cent, but even this rate was refused to be given, and sovereigns had consequently to be imported. The relative value of the sovereign, however, to the doubloon being much greater than 22s. 2d. to 80s., as a matter of course, it became an article of traffic, and was bought and sold until it eventually and naturally increased to what it was really worth in proportion to the other.

At length, in order to prevent the embarrassments caused by those changes continually occurring, it was determined to make the sovereign a legal tender at 25s. and the doubloon at 80s. and an Act of the Legislature was obtained for that purpose.

The sovereign has ever since passed at 25s. currency, the par of exchange being therefore 25 per cent, or £125 currency to £100 sterling, or the equivalent of £100 sterling, at 12 1-2 per cent premium, adding 11 1-9th per cent. It has also become the only gold coin in circulation, which must, however, in some measure, be attributed to another cause—the establishment of banks in the West Indies and the returns of shipments being made in bills of exchange instead of doubloons as before.

It was soon apparent that this arrangement of the currency of Nova Scotia was peculiarly suited to either sterling or decimals. All that was required for altering it to sterling was to deduct one-fifth, and if the money of account were made dollars and cents, already in exact agreement with it there would be—

The Sovereign	\$5
Crown	1 1/4 or 125 cts.
Half-Crown	62 1/2 "
Florin	50 "
Shilling	25 "
Sixpence	12 1/2 "

The objections urged by some against adopting a decimal currency, which would hold good also with regard to sterling, was that of having no coin to represent a cent. This objection was however overruled, and the Legislature passed another act establishing a decimal currency: the halfpence were called in, a sufficient amount of cents imported and issued in lieu of

them, and no inconvenience has ever in any way been caused by the change. The duties have been since collected either in dollars and cents or in sterling.

The advantages of this system are more apparent in making calculations in sterling exchange, every £1 sterling being \$5, every 4s. one dollar, and each penny 0208, as nearly as possible two cents, a quarter per cent prem. \$1.11 half \$2.22, &c., and which may be made plain by the following example:—

Required, the amount in dollars and cents of a sterling bill for £437 13s. 4d., at 13 per cent premium.

£437 13 4	
5	
\$2185	
13s. 4d.	3 25
4 x 0208	08
\$2188 33	

1/2 ct. on \$2188 10.94	
Less 1-9th	1.21 9 73
\$2197 06	

If the old 11 1-9th system were done away with, the calculation would obviously be more simplified, and there can be no reasonable objection to its disuse, as all Government exchange is calculated as it should be, both principal and premium the same.

Though I much prefer the present Nova Scotia currency, as a currency to that of any other of the Colonies, I would, after all, rather have what might be called "decimal sterling," that is—

The Sovereign to pass at	\$4 00
Crown	1 00
Half-crown	50
Florin	40
Shilling	20
Sixpence	10

All the coins would then be purely decimal; and to make it still more convenient, a gold coin of more value than the sovereign might be issued to pass at \$5. All then required would be a new copper coin to represent the cent in place of the halfpenny, 120 of which now represent a crown.

Balances of accounts would necessarily require to be reduced to agree with the coins; in Nova Scotia 1-5th would be deducted, and in the other Provinces a deduction made according to the rate at which the sovereign passes, and thus a similar currency and money of accounts would prevail throughout British North America, corresponding with that of Great Britain.

I was instrumental with others, whose ideas coincided with my own, in establishing the currency of Nova Scotia at 25s. to the sovereign, and it was with the ulterior design of turning it into either decimals or sterling that it was adopted, and probably the thought—though emanating from Nova Scotia Colonists—that the Imperial Government would follow our example (a decimal currency being at the time a subject of discussion in Great Britain), had also due consideration.

J. FORMAN.

PREMIUM ESSAYS ON BANKING.—The publisher of the *Bankers' Magazine*, New York, in his October No., 1867, offers a premium of three hundred dollars for the best essay on Banking and Finance, and two hundred dollars for the second best article on the same subject. The essays to be placed in the editor's hands on or before January 1, 1868. Each essay may be on any of the following subjects:—I. The advantages of the National bank system of the United States, now in force. II. The best mode of extinguishment of the National debt of the United States. III. On sound principles of banking. IV. Advice to young bank-officers on the management of a bank and the duties of their profession. These contributions will be submitted to a committee of bank officers, who will award the two premiums. The publisher reserves to himself the right to publish all these contributions in the current volume of the *Bankers' Magazine*—(July, 1867 to June, 1868). Every one published that does not obtain the premium, to be paid for.

BANK AGENCY WANTED IN PRESCOTT.—A meeting was lately held in Prescott to consider

the advisability of inviting the establishment of a branch bank there. It was decided to communicate with the Ontario, Royal Canadian, the Bank of Commerce, the Bank of Toronto, and the City Bank, on the subject.

THE COMMERCIAL BANK.—The following resolutions were passed at a meeting of the stockholders of the Commercial Bank, held in Montreal, on Tuesday, the 29th:

"That the meeting is of the opinion that efforts should be made, with the view either to reconstitute the bank, either by reducing the present stock and obtaining additional capital, or by amalgamating with another bank; or by taking any other steps that will enable the bank to resume specie payments; the whole subject to the approval of a majority of the shareholders present in person, or by proxy, at a meeting specially called for the purpose, and further, that application be made to the Legislature for such legislation as may be found to be necessary."

"That the meeting request the special Directors to look further into the position of the bank as it may be effected by the recent suspension, and to be prepared to submit a statement of the position of the assets and liabilities of the bank on the 6th November to the shareholders, or previously to any other persons or institutions from whom a loan may be possibly obtained, with a view to resume specie payments."

The Commercial Bank of Canada gives notice of its intention to apply to the Parliament of Canada at its ensuing session for an act (1) to extend the period of its suspension of specie payments without forfeiture; (2) to authorise the reduction of its capital and for an additional capital; (3) to authorise an amalgamation with any other bank or banks; (4) or otherwise to sell the assets of the Bank; (5) or to facilitate the winding up by a general assignment; (6) for such general powers as under the circumstances of the Bank seem meet.

A GOVERNMENT BANK OF ISSUE.—Hon. Mr. Flint, of Belleville, advocates the establishment of a Bank for the County of Hastings, whose issue shall be based on legal tender notes. He is in favour of a government bank of issue.

Market Review.

Dry Goods.—There is a fair sorting up trade being done about equal in quantity to last season at the same date, notwithstanding the unsettled state of money matters.

Cottons are rather dull, prices show an average reduction of fully 25 per cent. on the prices quoted at the opening of the fall trade.

Woolens.—Some descriptions of Woolens are lower, while others hold firmly at the prices of a month ago. The manufacture of Canadian woolens is somewhat overdone, and with the constant and rapid increase of the number of manufactories this difficulty is likely to be aggravated. The general quality of goods made is such as does not come directly into competition with the imported articles, and is not therefore substituted or it to any appreciable extent.

Imports.—The value of imports of dry goods for the month of October compared as follows with last year:—

	1866.	1867.
Woolens	\$129,684	\$65,906
Cottons	84,143	47,610
Silks and Velvets ..	10,675	11,946
Fancy Goods	43,011	28,449
Wearing apparel ..	682	647
Total	\$265,300	\$155,078

Groceries.—Trade has been a little more quiet for the past fortnight, and purchases more limited, owing to a generally cautious feeling evinced by buyers.

Sugars are firm and rather higher. Cuba, 8 1/2c to 9c; Porto Rico 9c to 9 1/2c; yellow refined No. 2, 8 1/2c; No. 3, 9 1/2c; No. 4, 9 1/2c.

Melasses are easier, at 40c to 42c for Muscovado.

Teas.—Firm. Desirable grades of tea are scarce. There is an abundance of cheap qualities in market. Young Hysons sell at 37c to 39c, according to quality. Blacks are a trifle lower. Congou, 40c to 55c; Souchong, 55c to 70c.

Tobaccos are quiet and unchanged. Canada leaf, 5s and 10s, 25c to 30c; Western leaf, common to fine, 24c to 35c; bright, fine to choice, 40c to 55c.

Boots and Shoes.—The market continues easy. There is a good demand for Toronto made goods quite equal to the supply.