

in which the different coins had been valued, and especially the silver coins. The British coins have generally been placed at a lower value than the foreign coins, thus leading to their export. The British crown is rated in Canada at 5s. 6d. cy., and by the same standard the valuation of the dollar, Spanish and American, should have been 4s. 8 $\frac{1}{4}$ d. instead of 5s. as at present. Again the French crown should have been rated at 5s. 2d. instead of 5s. 6d. as at present. But the British crown which was thus rated at 5s. 6d. was coined at the rate of 5s. 2d., face value, per ounce of silver, whereas under the new coinage the crown is now issued at the rate of 5s. 6d., face value, per ounce of silver. This should have the effect of correcting the former under-rating of the British crown and will now cause it to be slightly over-rated as compared with the foreign coins.

Thus the Lords of the Treasury appear to have reached the conclusion that, whether the Canadian Legislature gave effect to the wishes of the Home Government or not, the natural course of exchange would operate to bring the new British silver into circulation. This would be further assisted by the policy to be pursued in the payment of the troops and the purchase of supplies, which were entirely under Imperial control. Hence when the Treasury was informed, in the course of the summer, that the Legislature of Lower Canada would take no action, they stated to the Colonial Office that it did not seem necessary to press this matter further upon Lower Canada.

In Upper Canada the Home Government was apparently somewhat more successful. But the situation in Upper Canada differed considerably from that in the Lower Province. In Lower Canada, as already remarked, a large and important section of the French Canadians possessed small individual hoards of specie, composed almost entirely of old French coins, much worn and considerably over-rated. They were distrustful of paper money, and exchanged it as speedily as possible for coins. In this exchange local prejudice and the interests of the banks favoured French silver. Hence Canada became a haven of rest for all the maimed and wayworn French coins on the continent. Lower Canadian accounts, rents and contracts were chiefly specified in French currency on a silver basis. To alter the value of the French silver, or to adopt a new standard, was