

and it is most convenient for their business, while the United States is the only available source for large and immediate supplies of metallic currency. On the other hand the British standard cannot be maintained in Canada because it will be subject to constant fluctuations following the conditions of exchange and the currency will be liable to be exported in lieu of Bills of Exchange."

With Canadian opinion in a divided condition the Currency Bill was necessarily a compromise. It corrected, however, many of the existing anomalies and reduced the range of unlimited legal tender. The Halifax standard was retained, though there were still no coins corresponding to it. The gold coins allowed as legal tender were the American eagle and the British sovereign. Other gold coins might be used as legal tender at specified rates per ounce. The silver coins admitted as unlimited legal tender were the American dollar and half dollar and the new French 5 franc piece. The other rated coins were limited as legal tender to £2.10s. The dollar was rated at 5s. 1d. and the 5 franc piece at 4s. 8d. The old French silver coins of Lower Canada were not given any rating and therefore became mere bullion, much to the disgust of the banks and the people of Lower Canada. The French Canadians of course saw in this another blow dealt at their nationality. There was a rather amusing scramble among the banks to unload on each other before the Act came into force the now homeless old French coins. The exclusion of British silver from the privilege of unlimited legal tender caused quite an outburst of sentiment on the part of the pocket Loyalists, as they were likely to lose a little in consequence. But, as Mr. Hincks pointed out, British silver was now treated in Canada exactly as it was treated in England. It was merely a token currency of limited legal tender. The general effect of the new measure was decidedly beneficial, and certainly prepared the way for further changes in the same direction.

After the passing of the Metcalfe ministry, Mr. Hincks once more became Finance Minister in the Reform ministry of 1847 under Lord Elgin, and resumed the task of developing a permanent currency for Canada. Under the Act of 1841, at the instance of the Council, but much to the dislike of the Assembly, the dollar had been rated at 5s. 1d. and the English crown at 6s. 1d. In 1850 the older ratings were restored, namely 5s. for the dollar and 6s. for the crown. This was done with the express object of equalizing the American and Canadian standards. The same Act gave authority to the Governor in Council to cause silver coins to be struck for circulation in Canada, the coins to be of the following values, 5s., 2s. 6d., 1s. 3d., 1s., 6d., and 3d. These were of course merely currency ratings corresponding to the dollar, half and quarter dollar,