

part of the Canadian merchants and officials, was it adapted to currency needs, and then only through a financial channel. It is very necessary to keep this in mind, as it will serve to explain many of the anomalous monetary situations which resulted from the use of the card money. To regard its issue from the point of view of a currency expedient would indicate a degree of stupidity on the part of the French officials, with reference to the nature and functions of money, with which they are by no means to be charged.

In order to account for the introduction of the first card money in Canada, and to indicate its function, it is necessary to outline the condition of the colony just before 1685.

The greater part of that portion of the Canadian revenue which was obtained from the colony itself, was derived from the export tax of one-fourth on the beaver and one-tenth on the moose skins, and an import duty of ten per cent. on certain goods, chiefly wine and brandy. But for some time previous to 1685 the beaver trade had been diminishing. This was due to several causes. The largest quantity and best quality of beaver came from the North-West, and the Ottawa tribe of Indians furnished the middlemen who gathered the furs from the western Indians and sold them to the French. The *coureurs des bois*, however, carried on a large illicit trade in the same direction. As more stringent efforts were made to suppress their trade, they naturally abandoned Canadian markets and carried their furs to the English, whereby they not only avoided the danger of arrest but received better prices for their furs and escaped the tax of one-fourth on the beaver.

The development of the English trade in Hudson's Bay at this time, also drew off an increasing quantity of North-West beaver which usually went to the French. Finally, the growing hostility of the Iroquois, encouraged by the English colonies, manifested itself most actively at first in attacks upon the Indian allies of the French, among them the Ottawas. All these conditions combined, tended to cut in upon the two main sources of revenue from the colony, the export tax on the beaver and the import tax on the goods brought in to exchange for it. The beaver from Canada fell from 95,489 lbs. in 1783 to 23,568 lbs. in 1785.