

United States, will make silver the best remittance to England and France; and of course, by putting it at a premium, will have the effect of withdrawing it from circulation, and causing gold to fill up the void.† One metal must ever displace the other when gold and silver are, as in the Union, both standards of value, and the proportion between them is not accurately fixed, which can scarcely be done, since their relative value, in the commercial emporiums, is constantly varying. It was, in order to preserve an uniformity in the currency, and to avoid the confusion and inconvenience resulting from the variations in the market prices of the two metals, and the tendency of one to drive the other out of circulation, that the English government decided on making gold the sole standard, or measure of value. It was, therefore, enacted in 1816, "That gold coins shall in future be the sole standard measure of value, and legal tender of payment, without any limitation of amount; and that silver coins shall be a legal tender for the limited amount of forty shillings only, at any one time."—"This act," as Kelly justly observes, "will be memorable in the history of the English mint, not only on account of the important alteration then made in the monetary system, but also for the great accommodation afforded to the public."

It will be a matter for serious consideration, which of the two relations of gold to silver ought to be adopted, that of the London market, or of the United States mint. The decision would most likely be made in favor of the latter, and, I think, not without specious grounds. The monetary exchanges of Canada are, and must necessarily continue to be, affected greatly by its proximity to that extensive emporium of trade,

† The following extracts from a letter addressed to me by a highly respectable house in New York, are confirmatory of this view of the case:—

"Previous to 1834, gold generally bore a premium of about 5 $\frac{1}{2}$ cent. but since the new law, silver bears a premium of 1 to 2 $\frac{1}{2}$ cent."

"Our Banks, however, having the option of paying in either metal, will not pay any thing but gold, and there is very little silver to be had."