"If the attempt is made to adjust silver coins to a gold standard, according to their "intrinsic value, a double measure of value is in effect constituted, and a slight over-valuation "of the coins of either metal will cause a preference to be given to such coins in circulation. "It is impossible to arrive at any settlement of the relative value of the two descriptions of "coins on this principle which will not be liable to disturbance, as the supply of one or other "of the precious metals prevails, and it has been found in practice, that whenever this system "has been attempted, the arrangement has ended in one metal alone becoming practically the "measure of value.

"In such cases a slight under-valuation of the gold coins is attended with less practical incon-"venience than results from an under-valuation of silver coins, because the facilities for transport "which gold coins afford, will always give them a preference for some purposes over silver coins, "and they may pass in exchange at a small premium (as was the case in France until lately) "without disturbing the silver circulation.

"An under-valuation of the silver coins on the other hand, is attended with obvious incon-"venience, because as a premium cannot be exacted in the small transactions in which such "coins pass in payment, there must, when these coins are undervalued, be a constant tendency "to their exportation; and an extraordinary rise in the price of silver, or (which as regards this "matter produces the same result) fall in the price of gold, must render it impossible that any "such coins, unless they were worn and debased, should long continue to circulate with the "gold coins of the country.

"The present condition of the currency of the United States (where they have been reduced "to coining a dollar in gold, a piece apparently too small in so valuable a metal for the pur-"poses of circulation,) affords a pregnant example of this effect. It shews the inexpediency of "adopting their valuation of the silver dollar, as was proposed in Canada at a time when, in "consequence of the under-valuation of that coin, it had mainly disappeared from the circulation "of the United States, and even from Canada, where a higher rating was assigned to it.

"These considerations lead to the conclusion that there is no other plan on which the subor-"dinate silver currency can be so conveniently adjusted to a gold standard as that which has "been adopted in this country of coining silver tokens, of intrinsic value less than that which "they represent for the fractional parts of the gold unit, and imposing a limitation on the sum, "for the payment of which they shall be a legal tender. It would however be essential to an "efficient working of such a system, that the auxiliary coinage be kept altogether subordinate "to that which forms the standard of value; and if the proposed course be adopted, it will be "necessary to devise some means for restricting the quantity of the silver token coins to be put "into circulation within such a limit as is indispensable for the minor transactions of the retail "trade of the Provinces.

"It is true that a limitation of the tender, as it restricts the uses of the coin, will. if strictly "observed, contribute to produce this effect, but it may be difficult in the first instance to insure "the observance of such a regulation in Colonies in which the circulating medium has been "subject to frequent changes upon no fixed principle; and depreciation, or at any rate incon-"venience would ensue, if in consequence of too great a facility for obtaining supplies of token "coins, their circulation should be extended beyond the proper requirements of such a des-"cription of currency.

"The extensive use of five shillings currency notes in Canada renders it the more necessary "that this part of the subject should receive careful consideration. For the reasons already "mentioned in reference to the United States gold dollar, it would not be desirable that a gold "coin should be struck for circulation in the North American Colonies of a smaller value than "half a pound Canadian currency, and in such case the five shilling note would represent no "coin of the same intrinsic value.

"In the United States the dollar notes have hitherto been payable in coins either silver or "gold, of an intrinsic value correspondiug with that expressed in the note, and there have also

"hitherto