

respecting the Clergy-Reserves' question, with a view to their secularization. A division thus arose in the Reform ranks, and the extreme party became known as Clear Grits. The free banking-system was now introduced, which provided for the issue of notes secured by the deposit of Provincial securities with the Receiver-General. In 1851, the Post Office Department was transferred to the control of the Canadian Government, and a uniform rate of letter-postage (3d. per ounce) was adopted. About this time railways began to be constructed, chiefly for the purpose of successful competition with the States for the immense carrying trade of the West. The first lines commenced were the Great Western, (projected by Sir A. MacNab,) the Northern, and the Grand Trunk. Numerous lighthouses had also by this time been erected in the St. Lawrence River and Gulf, to insure safety to navigation. Canada now made a very creditable display at the great industrial exhibition of the world's products held at London.

VII.—In October, 1851, Mr. Hincks became premier; he greatly forwarded the interests of the country, and especially identified himself with the prosecution of the Grand Trunk Railway. The Parliamentary session of 1852 is characterized as the Railroad Session, since, at this time, all existing railway-charters were amended, and many new ones granted. Montreal was this year desolated by a terrible fire, which deprived 10,000 people of their houses. In 1853, the elective franchise was reformed and extended, and the number of members in the Lower House augmented from 84 to 130.

The Reciprocity Treaty between Great Britain, Canada, and the other British North American Colonies of the one part, and the United States of the other, was