

might seem at first sight, then, that the new British administration found in Canada a country almost entirely without a circulating medium. When, however, we look into the matter more closely, we find that when the last great issue of paper money began, though the metallic money in circulation rapidly vanished, yet very little of it left the country. It simply disappeared into the stockings and strong boxes which were kept by the people, even in the narrowest of circumstances, in accordance with a well known national characteristic of Frenchmen. The same fate befell the considerable quantities of specie which accompanied the officers and troops coming to Canada under Montcalm. Soon after their arrival they complained that nothing but paper money was to be found in circulation. When, therefore, the paper money suddenly became practically worthless at the Conquest, though of course many of its possessors were greatly impoverished, yet the people generally were not entirely ruined, nor was the country quite deprived of a circulating medium. Metallic money began to come out of hiding, and the English merchants drove quite a brisk trade, even though they declined to take the paper money until there was some prospect of its being of value.

That the people of Canada were in possession of a large quantity of metallic money immediately after the ceding of the country to Britain, and that the money was French, and not British, is evident from the two first ordinances passed by the British government for the regulation of the Canadian currency. The first was passed in 1764 and the second in 1766; in both the Louis d'ors and the French crowns are rated somewhat above their normal value, with the express intention of retaining them in the colony as the chief features of its currency. That the French population generally still retained under British rule their characteristic habit of hoarding specie, is shown in an account of the colony given by an observant American revolutionist, Charles Carroll, who was in Canada in 1775-6. Speaking of the French Canadian farmers he says: "It is conjectured that the farmers in Canada cannot be possessed of less than one million pounds sterling in specie; they hoard up their money to portion their children; they neither let it out at interest nor expend it in the purchase of lands."