

or the noblesse who could go to France to look after their own interests. He proposed to give in return English paper money to the extent of 10, 15 or 20 per cent. of the face value of the French paper. Murray's general report on the country furnished to the British Government the data upon which to proceed in the negotiations with France.

Meantime the uncertainty was great. France desired, if possible, to avoid payment, both because she was losing the colony which had been the occasion of the outlay, because of her financial exhaustion, and because she was not particularly anxious to relieve her great rival of all embarrassment in her new acquisition. At the same time there were Frenchmen who held that the best policy, with a view to maintain a latent hold upon the French Canadians, was to promptly and fully meet all obligations in Canada.

While the issue remained uncertain, the English merchants generally refused to accept Canadian paper for goods. In consequence, the paper money for a time almost wholly dropped out of use as a medium of exchange. Even where contracts were made payable in paper money, the courts were instructed to suspend judgment upon them until an ultimate settlement of the matter had been reached. When, after the treaty, the prospects of payment became brighter for a time, a good deal of speculative buying of Canadian paper was indulged in.

At first Murray and the English generally endeavoured to convince the Canadians that there was no hope of the French Court ever redeeming their claims upon it; and that, therefore, they would lose nothing in transferring their allegiance to Britain. But after his position was secure, Murray adopted the opposite tack, and advised the French Canadians to hold on to their paper money, as the British Government would secure its redemption.

The French Court, when suspending the payment of the Canadian paper in 1759, had at the same time promised to redeem it as soon as the war was over, at the rate of 500,000 l. per annum. But, as this applied to the paper of all the French colonies, even if the promise had been kept, it would have required several centuries during which to complete the payment.