

A METALLIC CURRENCY

FOR

NOVUS CANADA.

PART I.

SITUATED as Canada is, without any mint of its own, and dependent on other countries for supplies of the precious metals, there are two co-relative advantages to be gained by approximating the legal value of foreign coin, as closely as the nature of the thing will admit of, to its marketable or exchangeable price in that emporium, which may be said to govern, or materially influence, the monetary affairs of the commercial world: The one, the power of attracting specie into local circulation, at a fair exchangeable value, for domestic productions; and the other, the means whereby foreign commodities can be paid for, under any state of circumstances, at not over such a cost or premium, as would be equivalent to the charges of transmitting the precious metals to the creditor country.

Suppose foreign coin to be made a legal tender in Canada, under its market price; it could not flow naturally into such a channel, since there it would not find its equivalent value; or admitting that it might occasionally find its way into the country, (and it would do so at an absolute loss, since it could only be purchased by, or exchanged for a greater value, than it would represent in its new sphere,) it could not remain, even under the most penal code,* long in circulation, as it

* Not even the penalty of death, decreed by the Spanish government, could deter parties exporting largely the precious metals, whenever such a trade was profitable.