

ment payments, even when imported from Britain, was not, as a rule, British money, but Spanish dollars rated, as we have seen, at 4s. 6d. However, in 1808 we find an official despatch stating that £100,000 in specie will soon be forwarded to Quebec and £102,664 to Nova Scotia, but "the Lords of the Treasury desire that general orders be published stating that the dollars will be issued to the army at 4s. 8d. sterling each." This meant a reduction of 2d. on the dollar from the soldier's pay. Doubtless it was intended to offset the virtual premium on specie in Britain, and the risks incurred in sending it abroad.

The employment of the army bills during the war of 1812-15, and their continued circulation for some time afterwards, relieved the usual anxiety as to the circulating medium. It was provided, however, in section 15 of the first Army Bill Act of 1st August, 1812, that "no person whatever shall export or otherwise carry out of this Province, any gold, silver, or copper coin of any description whatsoever, or any molten gold or silver in any shape or shapes whatever," on pain of having the whole seized and forfeited. This was not repealed until March 8th, 1817. As late as the end of September, 1816, an item in the *Montreal Herald* refers to the seizure of \$10,000 at St. John's going out of the Province to New York. The establishment of the first banks shortly afterwards, provided another paper currency to take the place of the army bills, among the English section of the people at least. But the French-Canadian habitant, who had looked with suspicion upon the army bills, continued to distrust the bank notes. Always using the livre as his money of account, he clung to the French coinage as part of those French Canadian institutions which he was taught to zealously guard against all encroachments on the part of British substitutes.

But after 1792 the old French coins circulating in Canada were no longer minted, hence there was no means of renewing the supply. In consequence, the French Canadians found it necessary, as the lesser of two evils, to legalize the circulation of the French coins struck after 1792. In 1819 the act 59th Geo. III, cap. I, was passed, in which it is stated that "it is expedient and necessary to provide that the gold and silver coins of France, coined since the year 1792, shall be made current and be deemed a legal tender in this Province."