

THE EARLY HISTORY OF CANADIAN BANKING

III

FROM 1791 TO 1812

WITH the restoration of peace at the close of the Revolutionary War, the settlement of the Loyalists in Canada, and the revival of the north-west fur trade, agriculture and commerce resumed the quiet tenor of their way. The changes, however, which had taken place as the result of the struggle soon brought about an alteration in the country's economic and political centre of gravity. The new settlements in their formation made considerable demands upon the Government for supplies, and, in providing these, good local markets were afforded the earliest settlers. When the western districts began to produce a surplus it naturally found its outlet through Montreal, which was also the great distributing centre of imports from the west and north-west. Montreal thus became more than ever the emporium of Canadian trade.

In considering the economic future of Canada we must not forget that however devoted the Loyalists were to British connection, yet in their economic methods, their social habits and their municipal politics, they were thoroughly American, and brought with them to Canada the prevailing American ideas in these matters.

This is not the place for an analysis of the character and capacity of the Loyalists, but it is essential to note that they were far from being of one uniform type. Few more miscellaneous collections of people have ever been found. Their education, character and motives ranged from the highest to the lowest types which the colonies afforded. Most of them had a very high ideal of the British Government's obligations towards themselves, and their settlement in their new homes was not effected without a great deal of grumbling and friction with Government officials.