

about eight feet deep, and of a proportionable breadth, but dry. It had also a fort or citadel, the batteries of which commanded the streets of the town from one end to the other. The town itself was divided into two parts, the upper and lower, in which last the Merchants, and men of business, generally resided. Here, likewise, was the place of arms, the royal magazines, and the nunnery hospital. The upper town, however, contained the principal buildings, such as the palace of the governor, the houses of the chief officers of the place, the convent of the recollets, the jesuits church and seminary, the free-school, and the parish church. The recollets were numerous here at this time, and their convent spacious. The house of the jesuits was magnificent, and their church well built, though their seminary was but small. Several private houses in Montreal, even at this time, made a noble appearance, and the governor's palace was a large fine building. The neighbourhood of the city contained many elegant villas, and all the vegetables of Europe grew there. All the inland trade of the inhabitants was with the Indian natives; and they sent to the West Indies racoon, fox, and beaver furs, skins of deer, and other branches of the Peltry trade, Indian corn, with what is called lumber, or wood. Their wine, brandy, cloth, linnen, and wrought-iron came from Europe; and the native Indians took from them toys and trinkets of all kinds, duff, blankets, guns, powder, ball, kettles, hatchets, tomohawks, brandy and tobacco. But no sooner had the conquest of Canada been completed, and the authority of the French government gone, than all sorts of traders began to experience the most serious difficulties in relation to the paper currency then in use throughout the province. There was scarcely a coin of gold or silver to be seen; and the sudden stoppage of that credit which had hitherto been attached to that dangerous medium of circulation which we have alluded to in a former chapter, instantly created a general stagnation in every species of commercial intercourse. The consequence was, that British merchants soon became very extensive holders of Canadian bills, who found it necessary to apply for their liquidation to the French government; but it was not till after repeated and the most strenuous solicitations that their demands had been complied with. At last the council of the King of France issued an *Arrêt* concerning the liquidation of these bills, which contained the following articles:—“I. The tickets, &c. given hitherto, and which may be delivered hereafter, in payment of the liquidation of the Canada bills, though fixed at four per cent, shall be nevertheless paid at the rate of four and a half in the month of January each year, to commence in 1766, the capitals preserved entire. II. The bearers of Canada bills shall be obliged to get them liquidated before the first of March, 1766; if they delay it till after that time, the said papers, although they may have been declared, shall not, under any pretence, be admitted to liquidation, but will remain null and of no value, without hope of re-establishment. III. His Majesty excepts nevertheless, from the disposition of the preceding article, such of the said papers as belong to the subjects of Great Britain; and considering that the greatest part of the said papers remain yet in Canada, from whence the proprietors cannot totally withdraw them, and present them for liquidation before the first of October (then) next, the delay above mentioned may be extended, but in favour of