

rise of prices in Canada, so far as this was due to defects in the mechanism of exchange, was simply to make prompt payment of the exchanges drawn on the French treasury. But, where the central difficulty was the emptiness of the French treasury, this alternative to sending specie to Canada, though urged by Bigot, brought small comfort to the minister, and no relief to the colony.

So far as the high prices in Canada were due to the large extra demand upon the produce of the country, while many of its producers were drafted away on scalping expeditions from the Atlantic to the Mississippi, no mere substitution of specie for paper could make any difference, the high prices being due not to the kind of money, but to the quantity of it as expressing a proportionate demand.

What actually did result from the amount of specie which reached Canada, we learn from Bigot's letter of November 8th, 1755, which shows that he understood the nature of the situation much better than the minister. There was sent with the troops the sum of 1,200,000 l. in specie, but a considerable portion of it gladdened the hearts of the English sailors who captured the vessel Alcide. Exactly how much reached Canada is not stated, though it may be gathered from another statement of Bigot's that about one million arrived safely. According to Bigot, the specie sent did not cause prices to fall, yet we find from other documents that it soon resulted in establishing two prices, one for specie and another for paper. Goods did not become cheaper in specie, they merely became dearer in paper.

The prices of provisions, says Bigot, is kept up by the common people, who use just as good food as any one in the colony. Scarcity and dearness are due also to the increasing demand on the king's account, and especially for provisioning the king's vessels. These facts and not the payment in paper will account for the rise in prices.

Again, as a matter of policy it is much wiser, says Bigot, to pay in paper than in specie, because the people, holding their savings in paper, the value of which depends upon the credit of the French government, are certain to be more active in the defence of their country, their interests being tied to those of the king.