

tender to \$5 only. From 1853 to 1878, when the Bland Act was passed, the United States had a monometallic currency with gold as the standard but with subsidiary silver currency as in Britain. This will explain the disappearance of the American silver from the Canadian Act.

Mr. Hincks went out of power in 1854, just after the new Currency Act was approved, and there was much delay in putting the new measure into practice. Finally in 1857 a further Act was passed requiring the Government accounts to be kept in dollars and cents without the option of using Halifax currency; and requiring all accounts presented to the Government to be rendered in the new denomination, as indeed had been largely the practice. The Act was to come into force on January 1, 1858. From that day dates the actual official adoption of the decimal system of dollars and cents in Canada. Following the Government the merchants and banks quite generally adopted the new system, and steps were immediately taken to have the new silver and copper currency provided. About the middle of 1858 the first shipment was received from the Royal Mint. It consisted of \$100,000 in 20c. pieces, \$75,000 in 10 cent pieces, \$75,000 in 5 cent pieces, and \$50,000 in 1 cent pieces. Some surprise was expressed that there were no 25 cent pieces, which many regarded as the most necessary of all. But the British shilling had been provided for in the Act of 1853 as legal tender to the extent of \$10. Its proper rating should have been  $24\frac{1}{2}$  cents but it was commonly accepted at 25 cents, hence the omission of the Canadian 25 cent coin. The shilling being over-rated soon appeared in large numbers and gave considerable trouble. The new American token currency also flowed into the country under the influence of the Reciprocity Treaty, but more especially during the period of the Civil War. The banks did not favour the Canadian gold coinage nor have they to this day, because it was not necessary in commerce and it would be no use in exchange except as bullion. Various attempts were made to extend the legal tender range of the silver coinage, but fortunately without success.

No further changes in the currency were made until after Confederation. But Confederation being accomplished, and the American Civil War ended, the Canadian Government found it necessary to set the currency in order for the whole Dominion. Canada was flooded with American silver which had been sent over to purchase supplies. At this stage Sir Francis Hincks once more became Finance Minister of Canada, and in 1870 undertook to dispose of the Yankee silver and to supply its place with Canadian coins. By employing the banks in general to gather it in, and the Bank of Montreal in particular to dispose of it in New York, upwards of \$5,000,000 in American fractional silver was exported at a cost to the Government of \$118,000. While this process