

DOCUMENTS

RELATING TO

CANADIAN CURRENCY, EXCHANGE AND FINANCE
DURING THE FRENCH PERIOD

Troisième.

POUR

compte de dépenses générales
3920^l A Québec, le 27^{es} Octobre 1758.

EXERCICE 1758. MONSIEUR, au *vingt-huit Septembre mil sept cent cinquante-huit*

N^o 32.

il vous plaira payer par cette troisième de Change, ma première ou
seconde ne l'étant, à l'ordre de M. *Metivier*
la somme de *trois mille neuf cent vingt*

valeur reçue en acquits. De laquelle somme je vous rendrai compte sur
les dépenses de la Marine de cette Colonie. Je suis,

Monsieur,

Vu par nous Intendant
de la nouvelle France.

Votre très-humble & très-
obéissant serviteur,

A MONSIEUR

Monsieur

Trésorier général des Colonies.

A PARIS.

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DOCUMENTS

RELATING TO

CANADIAN CURRENCY, EXCHANGE
AND FINANCE DURING THE
FRENCH PERIOD

Selected and Edited with Notes and Introduction by
ADAM SHORTT

VOLUME I

Published by Authority of the Secretary of State under the direction of the Archivist.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1925

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IN PREPARATION:

Currency Banking and Exchange in
the Maritime Provinces, 2 Vols.

Currency Banking and Exchange in
Upper & Lower Canada, 2 Vols.

PREFATORY NOTE

In presenting these volumes to the public, the editor desires to acknowledge his obligations to those who have so cordially assisted him in their preparation. Doctor A. G. Doughty and the staff of the Public Archives have greatly facilitated the necessary researches, and otherwise effectively aided in the production of the work. Special mention should be made of the assistance rendered by certain members of the staff. Mr. Wm. Smith, Assistant Keeper of the Records, and Mr. A. R. M. Lower, Assistant to the Chairman of the Board, have prepared most of the translations from French to English, although the editor takes responsibility for the final form in which they appear. The translations from English to French, chiefly represented by the notes and introduction, have been revised by Mr. G. Lanctot. Mr. Lower has prepared the index and has supervised the passing of the volumes through the press.

TABLE OF CONTENTS

	PAGE
Prefatory Note	xi
List of Illustrations.....	xxxii
Introduction.....	xxxiii
List of Abbreviations.....	xci
Alterations in the Ratings of Coins, July 18, 1654, October 7, 1661, March 20, 1662....	3
Special Authority for Colonial Coinage, November 26, 1663.....	9
Proposals for a special Canadian Currency, 1663.....	9
Reduction of Liards, April 17, 1664.....	11
Request for Money instead of Supplies, June 18, 1664.....	13
Liards to pass for two Deniers, July 17, 1664.....	15
Regulation of the Price of Wheat when given in Payments, May 29, 1665.....	15
Special Coinage for the American Colonies, November 26, 1665.....	17
<i>Sols Marquez</i> to circulate at twenty Deniers each, January 10, 1667.....	17
Extension of Time for Reduction of <i>Sols Marquez</i> , January 31, 1667.....	19
Private Aid to meet Distress from Reduction of <i>Sols Marquez</i> , February 14, 1667.....	21
Wheat to be taken in Payment at 4 livres per Minot, March 19, 1669.....	23
A special colonial Money, February 19, 1670, March 24, 1670.....	25
Goods preferred to Specie, November 10, 1670.....	31
Advisability of sending Goods to Canada instead of Money, February 11, 1671.....	33
Proposal for a Canadian Currency, November 3, 1672, June 4, 1672, January 25, 1672....	33
Silver Coins in the Colonies, November 18, 1672.....	37
Moose Skins as Currency, September 27, 1674.....	39
Demand for Payment in Coin, October 6, 1676.....	41
Refusal to send Money to Canada, April 28, 1677.....	43
Regulations for the Circulation of Pieces of four and two sols, March 7, 1679, April 29, 1679, May 16, 1679, July 18, 1679, November 28, 1680, December 2, 1680.....	43
Loss on Exchange, May 3, 1681.....	49
Valuation of foreign Coins by Weight, September 17, 1681.....	51
Enforcement of the Circulation of Dollars, December 15, 1681.....	53
Wheat, etc., to be Legal Tender for Purchase of Fire-arms, October 24, 1682.....	53
Dollars to be stamped according to Weight, January 13, 1683, November 4, 1683.....	55
Representation on the Revenue and Trade of Canada, 1683.....	63
Interference in Canadian Affairs, November 10, 1684.....	65
Complaint as to Money Supplies, November 12, 1684.....	65
Prohibition of Money in the Indian Trade, March 5, 1685.....	67
Introduction of Card Money, June 8, 1685.....	69
Redemption of Card Money, September 5, 1685.....	73
Issue of Card Money justified, September 24, 1685.....	73
New Issue of Card Money, February 9, 1686.....	75
Approval of Bills of Exchange: Disapproval of Card Money, May 20, 1686.....	79
Redemption of Card Money, September 26, 1686.....	81
Repayment of Bills of Exchange, February 28, 1687.....	83
Rating of Gold Coins, July 24, 1687.....	83
Conviction for Counterfeiting, March 7, 1690.....	85
Rating of Gold and Silver Coins, November 22, 1690.....	89
New Issue of Card Money, January 7, 1691.....	91
Exchange of Cards, February 13, 1691.....	93
Necessity for new Issue of Card Money, May 10, 1691.....	95
Alternative to Card Money, October 12, 1691.....	97

	PAGE
Reply to above, 1692.....	97
Coin in Canada not to be reduced, November 5, 1694.....	99
Manner of paying Bills of Exchange, February 16, 1695.....	101
Ready Money preferable to Merchandise, November 2, 1695.....	101
Request for additional Funds, October 26, 1696.....	103
Officers of Justice to receive Salaries, etc., in Money of France, February 22, 1698....	103
Disapproval of the use of Card Money, May 27, 1699.....	105
Reasons for Issue of Card Money, October 20, 1699.....	107
Prohibition of Transport of Specie to America, November 23, 1699.....	109
Prohibition of Card Money, May 5, 1700.....	109
New Ratings for Coins, September 24, 1700.....	111
Current Accounts, October 15, 1700.....	113
Suppression of Card Money approved, May 31, 1701.....	117
Protested Bills of Exchange, November 7, 1703.....	117
Card Money in Acadia, November 25, 1703.....	125
Disapproval of Card Money, June 4, 1704, June 10, 1704.....	125
The Colony's Agreement with Gay, Du Moulin and Mercier, November 17, 1704.....	127
Melting of Coins by de Brouillan, December 8, 1704, June 3, 1705.....	135
Seizure of Beaver for Payment of Bills of Exchange, June 10, 1705.....	139
Payment of Duties in Money of France, September 7, 1705.....	141
Excess of Cards over Funds, October 12, 1705.....	141
Conduct of the Directors of the Company of the Colony, October 19, 1705.....	143
Ordinance Ratifying Cards, October 24, 1705.....	145
Destruction of Cards, November 29, 1705.....	147
Rating of Four Sol Pieces and of Sols, December 5, 1705.....	147
(1) Explanation of the Issue of New Cards. (2) The Colony's Difficulties with the Commissioners of the Company, 1705.....	149
Royal Disapproval of Card Money, June 9, 1706.....	155
Memorandum on the Cards of Canada, September 30, 1706.....	157
(1) The New Colonial Contract. (2) Restriction of Issue of Card Money, 1706.....	159
Necessity for Card Money in Acadia, December 22, 1706.....	161
Prohibition of Issue of New Cards, June 30, 1707.....	165
Disapproval of Card Money in Acadia, June 30, 1707.....	167
Loss on old Card Money, August 10, 1707.....	169
Loss on Bills of Exchange, November 11, 1707.....	171
Objections to Bills of Exchange on Paris, November 12, 1707.....	171
Loss in Salaries paid in Currency Notes, November 12, 1707.....	173
General Assurances as to Card Money, November, 1707.....	175
Small Cards: Copper Coinage, etc., June 6, 1708.....	179
Disapproval of Increase of Card Money in Canada, June 6, 1708.....	181
Prohibition of Card Money in Acadia, June 6, 1708.....	183
Currency Notes to be redeemed, June 21, 1708.....	183
Card Money in small Denominations, October, 1708.....	185
Loss on Currency Notes, November 14, 1708.....	187
Request for more Funds, November 14, 1708.....	187
Acadian Card Money withdrawn, December 29, 1708.....	189
Copper Currency, July 6, 1709.....	189
Payment of Bills of Exchange, October 8, 1709.....	191
Payment of Bills of Exchange by Beaver Shipment to Holland, May 16, 1710.....	199
Prohibition of Card Money in Acadia, May 20, 1710.....	201
Beaver Shipment to Holland disallowed, May 30, 1710.....	203
Currency in Acadia, August 10, 1710.....	203
Reasons for further Issue of Cards, October 22, 1710.....	205

	PAGE
Statement of new Card Money issued, January 10, 1710.....	207
Authority for new Card Money, March 20, 1711.....	211
50 and 100 livre Cards to be issued, October 1, 1711, October 25, 1711.....	211
Financial Straits of the Colony, 1711.....	215
Necessity for Payment of Bills of Exchange, November 8, 1711.....	219
Financial Difficulties, June 26, 1712.....	219
Review of the Finances of Canada, 1712.....	223
Suggestions for improving the Credit of Card Money, November 12, 1712.....	229
Necessity for using Cards and paying the Bills of Exchange, November 12, 1712.....	233
M. Riverin's two Plans for Retirement of Card Money, June 6, 1713.....	235
Proposed Reduction in the Rating of Card Money, July 3, 1713.....	239
Retirement of Card Money by Conversion into Securities, June 25, 1713.....	241
Conversion and Reduction in Rating of the Cards, June 28, 1713.....	243
Proposals for withdrawing the Cards, June 30, 1713.....	249
Disposal of the various Issues of Card Money, July 1, 1713.....	249
Conversion of Cards still urged, July 3, 1713.....	253
Necessity for Withdrawal of Card Money, November 15, 1713.....	255
Destruction of the Register of Cards issued, November 15, 1713.....	255
Proposals for Reduction in the Rating of Cards, March 19, 1714.....	259
Conversion of Card Money into Securities, March 22, 1714.....	261
Reduction in Value of the Card Money, March 22, 1714.....	263
Payment of the Civil List, May 17, 1714.....	265
Reduction of the Face value of the Card Money by one-half, May 23, 1714.....	267
Formalities to be observed in reducing the Card Money by one half, May 23, 1714....	271
Practical Results of reducing the Card Money, September 16, 1714.....	273
Withdrawal of Card Money, September 20, 1714.....	275
Official Minute of the Destruction of Cards, November 1, 1714.....	279
Effects of Reduction in Value of the Cards, November 8, 1714.....	281
Statement of new Card Money issued, November 12, 1714.....	283
Disposal of the Cards, 1714.....	285
Memoranda re Card Money, 1714.....	285
The Annual Appropriations to be provided in Coin.....	287
Progress of withdrawing the Card Money, January 9, 1715.....	287
Requests for Payment of Bills of Exchange drawn to retire Card Money, 1715.....	289
Consequences of the Non-Payment of Bills of Exchange drawn for the Card Money, March 31, 1715.....	293
Bills of Exchange for the Pay of the Crew of H.M.S. "Le Héros", June 19, 1715.....	295
Urgent Need for Payment of the Bills of Exchange, July 2, 1715.....	297
Urgent Need for Funds for Canada and Ile Royale, July 10, 1715.....	299
Instructions to Bégon re Redemption of old and Issue of new Card Money, July 10, 1715	299
Judgments for Debt against M. Gaudion, July 17, 1715.....	303
Postponement of Payment of Bills of Exchange, July 31, 1715.....	303
Suspension of legal Action for Non-Payment of Bills of Exchange, September, 1715....	305
Basis of present Arrangements with regard to Card Money, 1715.....	307
Petition re Payment of Bills of Exchange, October 27, 1715.....	311
Evil Effects of Non-Payment of the Bills, October 28, 1715.....	313
Grant of Delay in Payment of Bills, November 6, 1715.....	313
Considerations as to Payment of Bills of Exchange, November 7, 1715.....	315
Discussion of the Difficulties resulting from the Non-Payment of the Bills of Exchange given for the Card Money, November 7, 1715.....	317
Explanation of the present Position of the Card Money, November 7, 1715.....	321
General Account of the Card Money and its Consequences, December 9, 1715.....	325

	PAGE
Legal Protection for M. Gaudion, December 22, 1715.....	335
M. D'Auteuil's Objections to M. Riverin's Plan for the Redemption of Card Money, January 20, 1716.....	337
I. A Plan for the Redemption of Card Money. II. Advisability of purchasing Goods for Canada in France, February, 1716.....	339
M. de Neré's Proposal for a Special Coinage for Canada, March 26, 1716.....	343
Notice of Recoinage of Issue of 1709, April 22, 1716.....	345
Loss sustained by Vaudreuil in giving Exchange for Card Money, April, 1716.....	349
Probable Payment of Bills of Exchange given for Card Money, May 12, 1716.....	351
Amounts of Cards supplied for the Expenditures in Canada, June 7, 1716.....	351
Funds for the Future to be sent in Cash or Goods. Card Money forbidden, June 16, 1716.	353
Proceeds from Beaver Sales to be used in paying Bills of Exchange, June 16, 1716.....	355
Funds for Payment of Bills of Exchange, September 20, 1716.....	355
Montreal Merchants object to Disposal of Bills of Exchange for Beaver, October 5, 1716	355
Urging Abolition of Card Money and Supply of Special Coinage, 1716.....	361
Project for using the Profits on the Beaver Trade to retire the Card Money, 1716.....	363
Institution of a Copper Coinage for use only in the American Colonies, December, 1716	365
Claim of Vaudreuil for Loss on Advance to Boularderie allowed, January 12, 1717....	367
Consequences of Non-Payment of Bills of Exchange, February 26, 1717.....	371
Council of Marine urges Payment of Bills of Exchange, March 8, 1717.....	373
Refusal by Council to allow any Variation in Rate at which Cards are taken, March 9, 1717.	373
The Special Colonial Coinage, March 9, 1717.....	375
Origin and Development of the Card Money: The Council of Marine recommends its Abolition: Recommendation approved and passed by the Council of Regency, April 12, 1717.....	377
Conditions governing final Issue of Card Money, July 5, 1717.....	393
Declaration of the King abolishing Card Money and the "Money of the Country", July 5, 1717.....	399
Notice of Despatch of the Funds, July 7, 1717.....	405
The unpaid Loan in Card Money to the Company of the Colony to be cancelled by the King, July 14, 1717.....	405
Formation of the Company of the West, August 26, 1717.....	407
Postponement of the Reduction of One-Half in the Value of the Cards, October 11, 1717	411
Payment of Bills of Exchange for Cards withdrawn, 1717.....	411
Statement by Vaudreuil of Amount of Card Money withdrawn and burned, October 31, 1717.	417
New Louis d'or of 30 livres, November 6, 1717.....	419
Bills of Exchange for Cards, November 6, 1717.....	421
New Louis d'or, November 6, 1717.....	423
Indemnification of Officers who receive Pay in Cards at reduced Rate, November 6, 1717	423
Default in Payment of Bills of Exchange, November 17, 1717.....	429
Refusal to accept Bills of Exchange.....	429
Treatment of Card Money—Copper Coinage, December 7, 1717.....	431
Relief for Debtors under the Scheme for Reduction of the Value of the Cards, March 21, 1718.	433
Measures proposed for meeting Complaints arising from Reduction of the Value of Cards, March 30, 1718.....	435
Decision as to Payment of Salaries partly in Card Money, July 6, 1718.....	437
Desirability of postponing the Suppression of the Cards, July 12, 1718.....	441
Suppression of Card Money may be again postponed: Bills of Exchange to be accepted, July 13, 1718.....	441
Extension of Period for the Circulation of Card Money, July 12, 1718.....	443

Registration of the Declaration of March 21, 1718, which reduces the Card Money, August 12, 1718.....	445
Consequences of the Declaration of March 21, 1718, October 4, 1718.....	447
Impossibility of carrying out the Declaration of July 5, 1717, requiring the complete Suppression of Card Money, October 24, 1718.....	449
Extension of the Period during which Card Money shall be valid, November 1, 1718...	451
Urgency as to Payment of Bills of Exchange given for Card Money—	
Request for Payment, November, 1718.....	453
Desirability of Payment, November 6, 1718.....	455
Request for Acceptance, December 13, 1718.....	457
Instructions as to Acceptance and Payment, December 18, 1718.....	457
Consequences of Non-Payment, January 31, 1719.....	457
General Directions as to Payment, March 19, 1719.....	459
Gold Coins to be reduced in Rating, May 7, 1719.....	459
Extension of Currency of Card Money approved: Its Suppression to follow, 1719....	461
Further Arrangements in regard to the Withdrawal of Card Money, June 3, 1719.....	463
Impossibility of closing the Accounts of Card Money until all of it is returned, October 26, 1719.....	465
A partial Statement of Expenses, November 10, 1719.....	465
Proceedings of Vaudreuil and Bégon <i>re</i> Withdrawal of the Cards, November 14, 1719..	467
Scarcity of small Coins in the Colonies, March 17, 1720.....	469
Payment of Bills of Exchange, April 24, 1720, June 5, 1720.....	471
Explanation of the late Changes in the Currency, June 16, 1720.....	473
New Gold and Silver Coins to be minted, September, 1720.....	475
Rating of Gold and Silver Coins to be increased, October 24, 1720.....	485
Statements submitted as to Disposal of the Cards, October 26, 1720.....	487
Loss on Coins sent to Canada owing to Changes in Rating, October 26, 1720.....	489
Reductions in Ratings of Coins appointed for January 1st to be indefinitely postponed, December 26, 1720.....	491
History of Money in Canada, February 15, 1721.....	493
Reduction in the Rating of Copper Coins, April 30, 1721.....	497
Explanation required as to certain Sums of Card Money missing, June 14, 1721.....	497
Demand for the general Statement of Card Money, June 14, 1721.....	499
150,000 Marks of Copper Money to be minted for the American Colonies, June, 1721..	501
Correct Rating for Gold and Silver Coins, July 1, 1721.....	505
Card Money Accounts not completed, November 4, 1721.....	505
Enquiry as to Disposal of the Funds for 1721, May 5, 1722.....	507
Remarks by the Council on the Accounts of Card Money submitted by Bégon, June 5, 1722.	509
Copper Coin of the Company of the Indies, June 11, 1722, May 5, 1723.....	511
Rents, etc., to be paid in Money rated according to the Declaration of July 1717, June 21, 1723.....	513
Reduction of the Seigniorage on Coins and consequent revised Rating, August, 1723..	515
Failure of Attempt to introduce Copper Coinage into Canada, October 14, 1723.....	521
Reductions in the Rating of Coins, February 4, 1724.....	523
Further Reduction in the Rating of the Coinage, March 27, 1724.....	525
Colonial Copper Coinage: Suggestion for its Disposal, June 6, 1724.....	527
Reduction in Rating of the Currency, September 22, 1724.....	529
Edict relating to the above, September, 1724.....	531
Proposed Return of the Copper Currency of the Company of the Indies, November 2, 1724.	537
Responsibility for Card Money Accounts, November 2, 1724.....	539
Disposal of the Colonial Copper Currency, May 29, 1725.....	539

	PAGE
Loss on the Coins in the Government Treasury owing to Reductions in Rating, October 31, 1725	541
Official Minute of the Loss involved through the reduced Rating of the Coins, 1725	545
Difficulty of imposing Taxes on the Colonists, October 31, 1725	547
Colonial Copper Currency: Company's Desire to have matter settled, May 2, 1726	549
A General Recoinage for Revenue Purposes, January, 1726	551
Rating of the Gold and Silver Coins again raised, May 26, 1726	559
Advice of latest Changes in the Ratings of Coins, June 4, 1726	563
Statement of Coins in the Treasury of the Domain at Quebec, September 2, 1726	567
The Company of the Indies should make a Money Contribution to Canada from the Sale of the Copper Bullion returned to it, October 14, 1726	571
Reasons for Non-Circulation of the Copper Currency of the Company of the Indies, October 20, 1726	571
Copper Currency returned to France, January 7, 1727	573
Scarcity of Money: Special Money for the Colonies, October 14, 1727	573
Suggestions for Disposal of Copper Coins held by the Company, October 20, 1727	577
Urgent Need of Money in the Colony, October 20, 1727	577
Proposed higher Rating of the Coinage in Canada, October 27, 1727	579
Proposal to re-establish a special Rating for Canadian Currency not approved of, May 24, 1727	581
Lack of Currency in the Colony, November 11, 1728	581
Instructions as to Disposal of Card Money about to be issued, March 22, 1729	583
Ordinance for the Re-Issue of Card Money, March 2, 1729	589
Prohibition of Issue of Card Money on local Authority, April 12, 1729	595
Attempts of certain Merchants to profit from the Shortage of Money at the Colony's Expense, May 10, 1729	595
Details in connection with the Preparation of the new Cards, October 25, 1729	599
Public Satisfaction with the new Card Money, January 14, 1730	611
Remarks on Effects of the Issue of Card Money, April 25, 1730	611
Right of Seigneurs to optional Payment in Money or Kind, June 27, 1730	613
Type of Money legally payable for Rents, etc., August 7, 1730	613
Official Returns re Card Money; other Paper Money, October 23, 1730	615
Reward for Arrest of a Counterfeiter, November 14, 1730	617
Sentence of Banishment for Counterfeiting, January 12, 1731	619
Completion of Issue of 400,000 Livres of Card Money, May 8, 1731	621
Reasons for excess Issue of Card Money. Cards returned for Bills of Exchange, October 25, 1731	623
Request for <i>Sols Marquez</i> , October 28, 1731	625
Censure of Colonial Officials for excess Issue of Card Money: Conditions on which Notes, etc., may be taken for Bills of Exchange, May 6, 1732	627
Rating of Eighteen and Twenty-Seven Denier Pieces, 12th September, 1732	629
Receipt of 6,000 Livres in Sols for purposes of Small Change, 9th October, 1732	631
The Colonial Officials promise to withdraw the excess Issue of Card Money, October 9, 1732	633
Ordinance making Orders, Notes and Receipts Legal Tender, 18th March, 1733	635
62,000 Livres in Coin to be sent to Canada, May 6, 1733	641
Order for the Issue of an additional 200,000 Livres of Card Money, 12th May, 1733	641
Instructions as to the Disposal of the new Issue of Card Money, May 12, 1733	645
Effect of Coin on the Credit of the Card Money: Request to have new Cards printed in Paris, October 15, 1733	649
Refusal to have the Cards printed in Paris, 13th April, 1734	651
Reply to Hocquart's Arguments for an increased Issue of Card Money, 12th May, 1734	653

	PAGE
Credit of the Card Money and other Paper, I. October 10, 1734, II. November 1, 1734.	655
Outline of the History of Card Money: Discussion of Advisability of increasing the Amount issued, December 31, 1734.....	663
Complaint as to the Currency at Montreal, 2nd October, 1735.....	673
Review of Amounts of Card Money lately issued and expended, May 15, 1736.....	679
Death for Counterfeiting, September 25, 1736.....	679
Censure of Intendant for Over-issue of Card Money and for excessive expenditure, April 16, 1737.....	681
Complaint by Governor of Montreal that his Notes are not accepted at Quebec, October 3, 1740.....	685
Evils of the unlimited Issue of Notes, October 25, 1740.....	685
Wild-cat Skins as Currency at Niagara, October 26, 1740.....	689
Methods of Trade [1741].....	691
Excellent Credit of Card Money owing to Excess of Exports: Need for an increased Issue, October 25, 1741.....	691
Scarcity of Card Money—Request for Permission to issue 120,000 Livres, 1741.....	693
Origin of the paper "Notes", October 30, 1741.....	697
Petition for a further Issue of Card Money, 3rd November, 1741.....	705
New Issue of Card Money, 27th February, 1742.....	707
Reasons for the new Issue of Card Money, 27th February, 1742.....	711
Credit of the Card Money, 20th October, 1742.....	711
Disposal of the Remainder of the Card Money authorized, 30th October, 1742.....	713
Bases for the Credit of the Card Money, May 8, 1743.....	715
Reduction in the Rating of Sols in Ile Royale, 20th June, 1743.....	719
<i>Sols Marqués</i> to be Legal Tender for only one-fortieth of any Payment, 1743.....	723
Good Credit of the Card Money: its Increase desirable, October 29, 1743.....	725
Reduction of the old Sols to eighteen Deniers, January 30, 1744.....	727
No Increase in Card Money for the Present, March 24, 1744.....	727
Reduction in the Rating of old Sols, March 30, 1744.....	729
Remarks on the Reduction in Rating of old Sols, October 17, 1744.....	729
Two Sol Pieces, March 31, 1743.....	731
Rents, etc., when payable in Money of the Country, April 13, 1745.....	731
Payment of Certificates issued in Acadia for Services to the French Cause before the Taking of Louisbourg, September 12, 1745.....	735
Request that Supplies from Acadians be arranged for the French Fleet, 4th Nov., 1746.	741
Excessive Amount of Bills drawn in 1746, January 23, 1747.....	747
Boston Prices and Paper Money, 1746, 1747.....	749
Review of current financial Conditions in New France, October 27, 1747.....	751
Merchant's Memorial re deferred Payment of Bills of Exchange, November 6, 1747....	755
Desirability of having printed Notes, October 25, 1748.....	763
Punishment for Counterfeiters of Orders, October 28, 1748.....	771
Money in which Rents must be paid, January 4, 1749.....	773
Ordinance increasing Card Money to 1,000,000 Livres, April 18, 1749.....	775
Accounts of Canada, September 30, 1749.....	783
Non-arrival of printed Forms for the Notes, October 25, 1749.....	793
Promptness in Payment of Bills of Exchange, July 14, 1752.....	795
Payments to the Acadians, October 1, 1752.....	795
Request for additional Supply of printed Notes, October 15, 1752.....	797
Request for 6,000 Livres in <i>Sols Marqués</i> , October 30, 1752.....	801
Necessity for extending Periods of Payment for Bills drawn from Canada, June 15, 1753.	801
Despatch of printed Notes and <i>Sols Marqués</i> , June 30, 1753.....	807
Payment of the Acadians, June 30, 1753.....	807

	PAGE
Assistance proposed for the Acadians, July 17, 1753.....	809
Reasons for Inability to furnish short-term Bills to the Company of The Indies, May 12, 1754.....	817
Considerations affecting the Loans of the Treasurers-General, May 21, 1754.....	819
Recommendations for Improvement of the Routine of the Treasurer's Office, 1755....	821
Financial Arrangements for Troops sent to Louisbourg, March 17, 1755.....	827
High Prices due to vast Amount of Paper Money, April 1, 1755.....	829
Necessity for Economy in Public Expenditure, June 5, 1755.....	831
Payment of the Troops in Specie, I. March 15, 1756, II. 1755 and 1756, III. October 25, 1757, IV. November 4, 1757.....	843
Complaint of the Minister as to the excessive Expenditures, September 23, 1758.....	865
Bigot's Explanation of the immense Expenditures, December 3, 1758.....	867
Considerations on the present State of Canada, October, 1758.....	871
Payment of Officers: Reasons for not paying in Specie, January 8, 1759.....	877
Regulations for the Issue of Notes and Paper: Warning against Abuses, 1759.....	879
Montcalm's Account of the Increase in Prices owing to the Increase in Paper Money, April 12, 1759.....	889
Further Remarks by Montcalm on the financial Corruption, April 12, 1759.....	893
Bigot's Explanation of the large Expenditures, April 15, 1759.....	901
Effect on Prices of the Increase in Paper Money, April 19, 1759.....	905
Criticism of Bigot's Administration of the Finances, August 29, 1759.....	911
I. Request for Coined Money for Bills of Exchange, II. Drawing of Bills of Exchange, 1759.....	921
The Financial System of New France in 1759.....	925
Vaudreuil's Excuses for not supervising the Finances, October 15, 1759.....	927
Suspension of Payment of Bills of Exchange, I. October 15, 1759, II. October 26, 1759.	929
Instructions as to Bills of Exchange to be drawn in 1760, February 8, 1760.....	935
Future Payment of Bills of Exchange, June 15, 1760.....	941
Murray's Comments on the foregoing, June 27, 1760.....	943
Desperate Circumstances of Officers returned from Canada, November 25, 1760.....	947
Unpaid Bills of Exchange to bear Interest, December 15, 1761.....	947
Plan for the future Currency of Canada, August 1, 1762.....	949
Plan to incite a Rebellion under cover of ascertaining the amount of Canada Paper, December 13, 1763.....	953
Preliminary Arrangements for paying the Canada Paper, I. November 23, 1762, II. December 24, 1762, III. December 31, 1762.....	955
Memorial of British Merchants for Redemption of Canadian Paper, 1762.....	967
Petition for British Intervention to secure Payment of the Canada Papers, 1763.....	969
Payment of the Canada Paper, February 10, 1763.....	973
Origin of the Paper Money and its Condition in 1762, April 30, 1763.....	973
Declarations as to Paper Money to be made to Cramahé and Panet, May 27, 1763....	977
Paper Money in Montreal, August 28, 1763.....	981
Position of the Canadian Debts [1763].....	983
Alleged Attempt by France to buy up the Canada Bills, November 12, 1763.....	989
Account required of the Canada Bills, December 9, 1763.....	991
Murray's Efforts to discourage Trading in Canada Paper, February 14, 1764.....	993
Registration of the Canada Paper, I. March 5, 1764, II. April 24, 1764, III. May 3, 1764.	997
Accounts of the Canada Paper defective, June 9, 1764.....	1001
Register of Paper Money in all Canada, August 20, 1764.....	1003
Terms of Liquidation, I. June 29, 1764, II. June 29, 1764, III. September 4, 1764, IV. December 25, 1764.....	1005

PAGE

Second Registration of the Paper Money, December 8, 1764.....	1035
Power of Attorney for securing Payment of the Canada Paper, December 27, 1765....	1037
Terms of Settlement acceptable to Holders of Canada Paper, December 27, 1765.....	1041
The Convention of March 29, 1766.....	1043
Mode of meeting illegal Claims for Payment, March 31, 1766.....	1053
Review of the Measures of Liquidation.....	1055
Index	1063



LIST OF ILLUSTRATIONS

Frontispiece Bill of Exchange for 3,920 livres, 1758.

	PAGE
Plate I. Card Money of the first period.....	80
Plate II. Card Money. Issue of 1714.....	256
Plate III. Card Money of the higher denominations.....	416
Plate IV. Card Money of the second period.....	592
Plate V. Card Money of the later issues.....	704
Plate VI. Facsimiles of the printed notes.....	768
Plate VII. Bill of Exchange for 800 livres, 1758.....	880
Plate VIII. Murray's Proclamation of May 27, 1766.....	1056

INTRODUCTION

There are numerous traditions which afford a foundation for later evidence as to the strong probability of the American coasts having been known to Europeans, long before Columbus made his spectacular discovery. Adventurous seamen from the west coast of France were evidently fishing on the banks of Newfoundland and adjoining regions, and doubtless occasionally visiting the shores for wood, water and other elementary supplies. They little dreamt that there was anything of interest to the rest of the world beyond the rugged and forbidding coasts which flanked the bounteous fishing grounds. The treasures of these remote regions belonged to the sea, not to the land. Obviously it was not in the interest of these enterprising fishermen to invite the world at large to share in their knowledge of these rich fisheries, to the consequent glutting of their limited markets.

The wide publicity given to the Spanish and Portuguese discoveries, associated as they were with new and rich stores of the precious metals, rendered the Courts of Europe with maritime attachments, eager to share in the prospective riches of the New World. Even relative secrecy being no longer possible, the fishing fleets of the North Atlantic rapidly increased in numbers, while their markets also became more extended. The Court and the semi-independent nobility of France and England subsidized such purely exploratory adventurers as Verrazano, Cartier, the Cabots, Frobishers, etc., who soon brought to the knowledge of Europe, the northern regions of America.

Evidently the natives of the American coasts were not startled by the visits of the professional explorers, having long known from experience or hearsay, of the visiting fishermen. The latter, however, had little time or inducement for land trips, until the opening of the trade routes of Europe created a demand for furs. The discovery of the precious metals to the south naturally stimulated the ransacking of the northern interior for similar deposits. These new possibilities for profit undoubtedly induced a number of the fishermen to devote part, at least, of their time to trading for furs and searching for minerals and other objects of traffic.

These private adventurers were much more numerous, and had a more solid foundation for their trade and enterprise, than the subsidized explorers and founders of companies for the exploitation of the new territories claimed by the Courts of Europe, and granted by them to court favourites. These latter took out as colonists or workers the loose fish of the towns and the hangers-on at courts. Some of those who joined these expeditions from love of adventure had the makings of capable citizens, but the conditions of their employment and the patronage on which they depended were most precarious and the ultimate objects of the enterprises mostly impossible. For many years a conflict con-

tinued between the private traders and the monopoly corporations whose patronage passed from one court favourite to another. Despite the glowing prospectuses of the corporations and the counter-claims of the traders, there was no permanent development of the regions affected. What profit there was invariably fell to the lot of the private traders, they having a permanent support in the fisheries and the most promising opportunities for private trade.

The Indian never became an "economic man" in the European sense and this has been, and still is, the fundamental reason for his gradual disappearance before the whites. Knowing nothing of European standards of trade and in spite of an intelligence quite equal, if not superior, to the average European whom he met, the Indian never managed to take advantage of the superior position which he held in his early relations with the Europeans. Trade with the Indian, therefore, was a very uncertain and highly speculative enterprise until at least the period of the permanent monopolistic trading companies. These latter were able to fix and enforce standards of exchange which rendered values fairly definite. The Indians being neither industrious nor mercenary, values to them depended not on cost of production nor relative demand and supply but upon immediate personal desire or even whim. Here is the fundamental clue to the ruinous effects of intoxicating liquors upon the Indian trade. Spiritual susceptibility and range of imagination being much greater in the Indian than in most of the whites with whom he came in contact, the effects of liquor upon him were very pronounced, taking him far beyond the ordinary experiences of life, rendering him an uncertain source of danger to others, and a very certain menace to his own permanent interests. When once in the presence of the key to the regions of ecstasy, he did not haggle long over what was to be exchanged for it.

It was the competition of the traders in bidding against each other for furs—not the mercenary wisdom of the Indians—which gradually raised the price of furs to something approximating European standards of value. This result was one of the stock arguments for the establishment of a monopoly in the fur trade. A single corporation operating within a given area could regulate the rates at which furs should be exchanged for European goods.

If it were assumed that, under monopoly conditions, the profits of those enjoying the trading privileges would be very great, it was natural to assume also that the monopolists could afford to support missionaries and establish French colonies. Needless to say, there were many who sought such trading monopolies and lightly promised to fulfil the conditions attached thereto, with little intention of doing so. Moreover, the fields of their operations were far removed from the immediate cognizance of the courts which made the grants.

Champlain was one of the few advocates of the system who had a thoroughly honest desire to establish permanent colonies, with the prospect of their becoming in time not only self-supporting, but of great value to the mother country.

In 1608, under a patent of monopoly held for a time by De Morts, he began the first colonial settlement on the St. Lawrence.

Up to this period there had been no occasion for the use of a regular currency in the trade of the country. The Indians had no occasion for it, their sole desire being to obtain well known European goods for their surplus furs. Even for a considerable time after the first establishment of the colony, there was little occasion for money. The colonists were all in the service of the company and supported at its expense. Moreover, the monopoly proved to be a very precarious possession, depending almost entirely upon short-lived court favour, which did not encourage permanent investment, but rather a policy of limited outlay and quick returns. There were also intervals of free trade in the St. Lawrence; hence Champlain's earlier attempts at colonization bore little fruit. The corporate monopoly was again established in 1612, and with much instability and varying fortunes it continued till 1627, at which time only eighteen colonial settlers had been taken out and permanently established; the others being simply servants of the company.

With the formation in 1627 of the Company of One Hundred Associates, promoted and supported by Cardinal Richelieu, something like a permanent colony seemed to be assured. Unfortunately, however, the first extensive equipment fell into the hands of the English; Quebec itself was captured by them and was not restored to France until the Treaty of St. Germain, in 1632. There were by that time only five families of settlers, with twenty acres of cleared land. Champlain who still retained his interest in the colony went out as the first governor with 150 colonists. He did not, however, receive much support from the members of the company, whose ardour had greatly cooled. Champlain died in 1635; and, apart from the resident priests, few took much interest in the infant settlement.

In 1642 *Maisonneuve* established Montreal on a sound basis of trade and religion and in 1645 the Company of One Hundred Associates gave up their domestic trade monopoly in Canada to the colonists themselves. Previous to this there could not have been much occasion for the use of coined money; the beaver, moose, and other skins had been accepted among the traders as standards of value and media of exchange. Only after the establishment of Montreal, and the transfer of the trading privileges of the company at Quebec to the general inhabitants of the colony, would any definite need for a regular currency arise.

The new colonists evidently brought a certain amount of money with them, as no doubt did also a number of the earlier traders. The resident merchants would find it advantageous to their trade to import a certain amount of small copper and silver coins to facilitate their business, although the greater part of it, and all the larger transactions would still take place on the basis of an exchange of goods and supplies. Only after the use of coined money had become general would it prove necessary, in the common interest, to fix its

rating on a fairly uniform basis. In the earlier days of the colony such coins as were available, were circulated on the same basis as in France. When, however, goods were brought from France by individual traders, often in their own ships, in many cases the purchasers, including small tradesmen or shop-keepers, would not be able to offer sufficient furs or other goods acceptable as returns to France. The traders would, however, take what was available of coined money, on which there would be at least no loss.

Obviously the payment for imported goods in coin would soon drain the colony of what circulating medium it possessed, unless there were some other channels through which the supply of specie was replenished. There were two fairly regular transfers of specie to be counted upon. The chief supply was that sent out by the government to meet its expenditures, such as the maintenance of its military establishment, as also the machinery of civil government. The other was derived from a portion of the very considerable subscriptions raised throughout France by the religious orders, to establish and support missionaries. In the earlier days of New France, the most extensive religious enterprises were the establishment of Montreal in 1642 by the Seminary of St. Sulpice and the still more extended operations of the Jesuits throughout the whole colony.

In 1645, as already observed, the Company of One Hundred Associates gave up their trading monopoly to the people of Canada. This meant, in practice, that a number of loosely associated traders took the place of the single corporation in carrying on the trade of the colony. This involved considerable competition and, especially, a more general need for a definite standard of value, accompanied by a considerable supply of the corresponding media of exchange. Then for the first time did money begin to be a central and determining factor in Canadian trade. Goods began to have uniform values, and regular prices were established for the chief articles, thus rendering practicable a general freedom of exchange, and the replacement of the cumbersome system of barter.

These changes in domestic trade involved corresponding changes in the overseas trade with the mother country. To avoid the risk and expense of transferring specie backwards and forwards, there was developed a system of credit on both sides of the Atlantic, with the employment of bills of exchange, alike in purely commercial transactions involving exports and imports, and in the government expenditures and the maintenance of the religious establishments. These bills of exchange served to economize specie only in the larger transactions and between persons of recognized credit. Smaller transactions, and especially local trade, still required a more or less constant supply of coinage.

The incursions of the Iroquois from the west severely checked the expansion of the colony between 1650 and 1662. Many outlying settlements were driven in, and the domestic trade was paralyzed in what had been its most

enterprising part, west of Quebec and especially in the neighbourhood of Montreal.

At the same time France itself was in the throes of the domestic struggle connected with the Fronde. The paralysis of normal production and trade and the increasing and wasteful requirements of war led to a depletion of the currency of France itself, with a corresponding general but irregular increase in the value of specie. This condition of the mother country was reflected in Canada. In 1653, an effort was made to restore the currency of France to its former value, and an edict with that object in view was passed, reducing the nominal value of the coins in circulation by one-sixth. Following this policy the council in Canada issued the ordinance of 1654, similarly reducing the value of the coins in Canada; but to prevent the return of the Canadian coins to France, their regular value in Canada was fixed at a rating of one-fifth above that of France.

This ordinance of the council is the first official regulation relating to the Canadian coinage, and with it our list of documents begins.

The curtailment of Canadian agriculture and industry and the necessity for increased expenditures in repelling the attacks of the Iroquois, led to an adverse colonial exchange with France, to which all its trade was officially and practically confined. To prevent the loss of the very limited amount of coinage in the colony, resort was had to the time-honoured device of raising the official rating of the coinage, thus we have the ordinances of 7th October, 1661, and 20th March 1662, raising the ratings of the coins from one-third to one-half above their values in France, and from one-third to one-quarter above their previous legal values in Canada. In practice, however, the increase was estimated at one-quarter. In reporting on the finances of Canada in 1669, Talon estimated the funds sent to Canada at one-quarter above their value in France. Thus were established the current phrases in Canadian exchange, "money of the country" and "money of France", the former being rated one-quarter above the latter. The copper coinage was dealt with separately. The two chief copper coins were the sol and the liard, the former then rated at twenty-four deniers and the latter at six deniers.

As already indicated, the Company of One Hundred Associates, now fallen to forty-five, reflected the apathy of France towards Canada. When, however, Colbert succeeded as chief minister in 1661, he considered well-developed colonies to be essential features in the naval strength of a great nation; he therefore, revived and extended the ideas of Richelieu. He took over the colony from the company, remodelling and enlarging, in the edict of 1663, its local administration through the powers and functions conferred upon the Sovereign (afterwards Superior) Council of Quebec. The policy of the company in transferring the trade of the colony to the inhabitants in return for an annual revenue, had simply resulted, in practice, in limiting it to a few enterprising individuals, who devoted their energies to the collection of furs, to the

neglect and detriment of the clearing, cultivating and permanent development of the country. The whole history of French Canada and of the earlier condition of Western Canada under English rule, presents a continuous demonstration of the radical antithesis between a fur-producing wilderness and a populous and cultivated country.

Colbert recognized the practical failure of Richelieu's projects, but conceived that, profiting from experience, he could still utilize his plans for the development of a strong colony by means of a properly organized company, through which the profits of the outlying fur trade could be utilized for the support and expansion of prosperous colonial settlements. The Marquis de Tracy was specially commissioned, in November, 1663, to visit French America, including the West Indies and Canada, with ample powers for reorganizing existing conditions, remedying disorders and establishing a new order of things. Going to the West Indies first, he did not reach Canada until 1665.

The provision of an adequate medium of exchange, with devices for retaining it in the respective colonies, was among the reforms to be effected and for which detailed plans were drawn. The organization, however, of a new, strong and patriotic company, through which the reform of past abuses, and vigorous measures for future successful development were to be achieved, first occupied serious attention. There resulted the two Companies of the Indies; the West India Company covered all the French possessions in America and was established May 26, 1664. Under its charter Canada became a feudal possession of the company, but the King, through his ministers, appointed the governor and intendant. As it soon became evident that the high expectations from the operations of the company were not to be realized, the Court exercised increasing control over its affairs until the powers of the company were revoked in 1674.

For a time Canadian trade felt the stimulus of the prospective enterprises under the new system. Among the first measures of the new Sovereign Council, were various efforts to grapple with the practical effects of self-interest, in flooding Canada with the cheapest coinage available for the purchase of exportable goods, chiefly furs. The most overrated coinage was, of course, the copper currency, the sol and liard. The latter was equivalent, in France, to two deniers, and was popularly known in Canada as a *Double*. The first currency legislation of the new Council dealt with a reduction of these coins in 1664, and the establishment the following year, of wheat as a quasi legal tender, whose market value was to be determined by a jury of experts; this arrangement was revised in 1669.

The special colonial coinage authorized in 1665 for the territories of the West India Company, was not acceptable in Canada just because of its specially designed virtue of remaining in the colony, it thus being incapable of circulation in France. A colonial currency that would not enable the merchants to repurchase goods in France could not be accepted for those goods in Canada.

Nothing demonstrated more clearly the futility of attempting to provide a currency which, ignoring the balance of trade, would at once remain in the country, and purchase foreign supplies. For a century and a half from this time the currency problem of Canada turned chiefly on the readiness and capacity of the mother country, whether France or England, to finance local enterprises in the colony, whether of a military or industrial nature mattered little at the time of the actual expenditure. With funds in the mother country against which bills of exchange might be drawn, a purely local currency incapable of circulation elsewhere might be maintained.

When de Tracy and his military forces came to Canada with their pockets full of cash, to drive back the Iroquois, they solved, for a time at least, the currency problem of the colony. "They pay in money for all they buy, as well for their food as other necessities", was the report of la Mere de l'Incarnation.

Prosperity brings its own trials. So long as the copper coins were overrated to keep them in the colony, and few other coins were to be had, a fair balance was maintained, but when other French coins, not specially rated, were brought to the country, as by de Tracy and his troops, it paid the traders from France not only to take these coins in return for their goods, but to include among the goods most profitable for colonial trade, increasing quantities of the overrated copper currency, which they exchanged for the standard coins, which could be returned to France. This result necessitated the passing of the ordinance of 10th January, 1667, reducing the sols marquez by one-sixth. This, in turn, brought distress to the *habitants* and others, who had been saving their coppers but had no share in the speculations of the money-changers. Hence the remedial measures of the Council, of 31st January and 14th February of the same year.

The increasing employment of money, to the replacement of barter, had other revolutionary consequences. Beaver having been the most saleable colonial product, had become both a standard of value and a medium of exchange. To protect the unsophisticated and avoid disputes, its standard value had been fixed by a decree of Council. Moose skins were added in 1674. The company, having a monopoly of the beaver trade and finding prices falling in France while held up by decree of council in Canada, to balance matters simply increased the prices of goods. But, with the increase of money payments, the high prices on a beaver basis became unjust to those paying in money. In October, 1668, a compromise was effected by partially lowering the price of beaver, on condition that the company should correspondingly reduce the prices of their goods. All of which illustrates the difficulty of a legislature endeavouring to keep legally fixed prices in touch with changing market conditions.

In 1670, the French government again tackled the problem of a special coinage for the American possessions, including Canada. But the same conflict of interests arose between the different classes in the colony. Thanks to the stimulus which the ready money of de Tracy's soldiers had given to the substitution of cash for the previously prevalent barter and payment in kind,

a distinct mercantile class was growing up in Canada with its wholesale and retail sections, whose interests were often very naturally at variance with those of the habitant, the craftsman and the labourer. The former strongly advocated increased supplies of standard French coinage, which they could return to France for new supplies of goods. The latter would be quite content with a special currency confined to the functions of internal exchange, if only the retail merchants would accept it for their wares; but this, as we have seen, they are not prepared to do.

The government had been accustomed, from earliest days of the colony, to conduct its financial operations largely by barter, paying for purchases with standard goods on a cost basis. So long as this system was honestly carried out by the government officials, it was to the benefit of the settlers. It correspondingly curtailed, however, the functions of the merchants, who naturally desired that the government should adopt the system of paying for its purchases in cash. The inevitable conflict of class interests in these matters is brought out in the documents between 1670 and 1680. In the decree of 2nd December, 1680, comparative stability was established when all the coins in the colony were declared to be current on the same relative basis as in France, at a uniform increase of one-third in value.

A new problem in colonial exchange was rapidly developing in the last quarter of the 17th century, through the clandestine trade between Canada and the British colonies to the south, particularly Massachusetts and New York. The English traders offered better prices for furs, lower prices for standard goods, and, if necessary, paid for furs in coined money, albeit much of it worn and of light weight. This coinage was chiefly Spanish, but to some extent Portuguese and English. In selling their furs to the English, the French traders escaped the tax of one-quarter on beaver, levied by the West India Company. The extent of this trade was soon revealed in the amount of British goods supplied to the Indians, and the amount of foreign currency in circulation in Canada. These foreign coins had accumulated to such an extent in 1681, that, by a decree of the Superior Council of 17th September of that year and subsequent regulations, their relative values and conditions of circulation were legally determined, including the increase of value by one-third, as in the case of the French coins. It being impossible in the Canadian wilderness to ascertain by weight their relative values, by an order of November, 1683, they were required to be brought to the provincial treasury to be weighed and stamped. Afterwards they became legal tender on a specified scale of rates.

Doubtless the French Court would not have been so complacent over the introduction to Canada of the Spanish and other foreign coins, had there been readily available in France sufficient quantities of domestic coins to meet the requirements of the Canadian colony. The wars in which France was involved in Europe had become sufficiently serious to strain her financial resources and especially her money supplies. As a result, smaller amounts of currency and

larger quantities of goods were sent out to the colony. Trade and exchange, however, had become so adjusted to a money basis instead of barter, that the lack of currency was regarded as a great hardship, not only by the shop-keepers and inhabitants of the towns, but even in the country parishes, especially those along the St. Lawrence with free inter-communication by water.

The first issue of card money in Canada was due to economic conditions in both Canada and the mother country, which, in turn, were the reflex of international relations. The ambition of Louis XIV to become the arbiter of Europe was involving France in costly wars which drained her of fluid capital. The attention and resources of the mother country being engaged elsewhere, Canadian requirements were neither promptly nor adequately met. In Canada itself the intermittent troubles with western Indians and the alliance of the British with the eastern Iroquois tribes, led to great irregularity in the returns from the fur trade. These conditions were aggravated by the troubles of the Canadian administration with the *coureurs des bois*, who, when attempts were made to bring them under specific regulations, simply transferred their trade to the English, who afforded them better prices for their furs, cheaper supplies for the Indian trade and an escape from the Canadian tax of one-quarter on their beaver. These conditions reduced the income of Canada in 1685, to one-quarter of what it had been in 1683. At the same time the expenditure in the colony was greatly increased by the troops sent over from France to defend it.

In 1685, Demeulles, the intendant, found himself in great straits to provide for the sustenance of the troops. The device to which he resorted in the issue of the card money was explained in his letter of 24th September, 1685. It was a purely financial matter, the cards being issued, not to furnish a medium of exchange, but simply as a temporary means for paying the troops and purchasing supplies. A forced issue of paper currency seemed to afford the most effective remedy. The lack of suitable paper and printing materials, led him to resort to the only available substitutes, the packs of playing cards, obviously imported by the merchants to meet a popular demand.

Before resorting to the issue of card money, Demeulles had borrowed money from his friends and encouraged the troops to find employment during the winter, hence he did not resort to the card money until the eighth of June, 1685, and the proclamation for its withdrawal and redemption was issued on the fifth of September of the same year. Its credit being well supported and the amount issued quite limited, and there being a scarcity of metallic currency in the colony, the card money proved quite a welcome addition to the circulating medium of the country. Nevertheless, when reported to the home government, the issue of the cards was condemned by the Court, and the repetition of such an operation forbidden. Before, however, this official command was received at Quebec, a similar situation having developed, on February 9, 1686, resort was once more had to the issue of cards. An offer of the merchants

to Demeulles to supply cash in return for bills of exchange on the Treasurer General of the Department of Marine, though declined by the intendant on the grounds of excessive cost to the King, had been supported, apparently, by Governor Denonville, and this alternative was approved by the Court.

Demeulles returned to France, and his successor as intendant, Bochart-Champigny, in October, 1686, recalled the cards issued in February. Acting at first on the instructions of the Court, when he required additional supplies for the maintenance of the troops in 1687, with the approval of the governor, he ordered the agent in Canada of the Treasurer General of Marine to obtain cash from the merchants in return for bills of exchange on his chief. These drafts amounted to 80,000 livres, which were duly paid in France out of the appropriations of the year for Canada. Incidentally these bills enabled the Canadian merchants to obtain in good time their supplies for the next season.

The fur trade of Canada, the one great reliance of the colony for export trade, being practically paralyzed at this period, the overseas supplies were almost entirely dependent upon the appropriations of the French government. Sufficient supplies of coined money were available for a time in return for bills of exchange, thus no cards were issued in 1688 and 1689. But the bills issued against reduced quantities of furs were not sufficient to meet commercial imports, hence the merchants, acting independently, continued to export specie, which resulted in a serious shortage of circulating medium.

In 1690 part of the government supplies sent to Canada having been lost in transit, the intendant with the approval of the governor again resorted to the issue of cards. In view of the dearth of metallic currency and the already established credit of the cards, the new issue was readily accepted and immediately passed into circulation. When the funds were received the following year, the usual proclamation was issued calling them in. A very considerable amount, however, seems to have remained in circulation, and thus a corresponding amount of specie was available for extra government expenditure. The significance of this result was not lost on the governor (Frontenac) and the intendant. Thus in their ordinance of the following year, January 7, 1691, providing for a new issue of the card money, reference is made for the first time to its service as a circulating medium, in addition to providing temporary funds for the colonial treasury. In the same ordinance the public were invited to return the issues of the previous year, 1690. When, however, some of these were brought in for redemption, apparently by merchants who had received them in trade, the funds to meet them had not yet arrived from France. The treasurer of the colony was therefore ordered to receive them and to issue in return temporary notes to each holder, for the total amount presented by him, these notes to be redeemed in cash when the annual supplies from France arrived. This is the first record of the issue of treasury notes in Canada as a temporary substitute for other paper obligations of the colonial government. Frequent recourse to this device marked subsequent periods of financial strin-

gency, and towards the close of the French regime these temporary credit documents were issued to the extent of many millions.

Following the issue of the card money in 1691, for which no specific redemption was provided, there were several other issues made from time to time, unauthorized and not reported to the home government which strongly disapproved of so easy a means of incurring indefinite provincial debts. Though the cards continued to be readily accepted, secondary consequences of this increase of money without a corresponding increase in goods were soon revealed, especially in the rapid rise in prices, but with a distinction on the part of the importing merchants between prices in cards and prices in coin, the former steadily rising above the latter. This was not from any fear that the cards might not be redeemed, but at best their redemption awaited the receipt of supplies of coined money from France, which coming late in the year, were not always available for remission in time to procure supplies until the following year. Recognizing these consequences, and the increasing disadvantage to the troops, whose whole subsistence depended on the card money, the governor and intendant proposed a more extended issue, in advance, of bills of exchange on the Imperial Treasury, which they might sell to the merchants for cash before the departure of the vessels in the autumn. Anticipating approval of their recommendation Champigny, supported by Frontenac, sold to the merchants in the autumn of 1691, bills of exchange to the amount of 200,000^{li*} and asked authority to continue that practice for the future. This led at once to lower prices for military supplies and avoided the risks of sending specie overseas.

In view of the rapid increase in colonial expenditures of which the minister had complained, the intendant stated that all that was necessary was to curtail the military operations of the governor, the financing of which the intendant must meet without question. The Court ordered payment of the bills and approved of the policy represented. Taking advantage, however, of the plea of avoiding the risk of sending specie overseas, the minister announced that, with the same end in view as also to prevent a rise in prices in Canada, he would thereafter send a considerable portion of the annual appropriation for the colony in the shape of food and merchandise for the sustenance of the troops and for sale to the profit of the King and the supply of funds for carrying on the administration.

This information was received with little enthusiasm by the intendant, and much chagrin by the merchants. In 1695, after three years' experience of the system, Frontenac had the courage to express the views of both the government and the merchants of Canada. He first repudiated the charge of extravagance in connection with the growing military expenditures in the colony. Turning to the method of meeting colonial expenditures, he stoutly maintained that it would be much better to send ready money rather than goods,

*In the old currency system of France, an approximation to this symbol was the conventional abbreviation for the word *livres*.

intimating the indignity involved in the King conducting a store in competition with the merchants, and to their great disadvantage. Moreover, he considered the profit to the King on these goods as altogether doubtful, while the wrangling and confusion attendant upon the operations were obvious. Incidentally, he indicates the growing scarcity of coinage in the country and suggested the possible revival of a former scheme for a special coinage for the colony.

In the dispatches at the close of navigation in 1696 and 1697, the governor and intendant complained of supplies inadequate to meet the increasing outlays of recent years, occasioned by the war with the English and their Indians. This had driven them to anticipate the appropriations of each succeeding year. Moreover, a great part of the funds being sent in the shape of goods to be sold for the King's account, the proceeds were not immediately available. As one result, they had never been able to redeem the cards, which thus remained in circulation. This was the first intimation to the department of Marine that issues of card money had been made from time to time without sanction and without report. Naturally this discovery brought a severe reprimand from the minister (in May, 1699). It appears from Champigny's reply, in the following October, that he was driven to this expedient on account of being called upon to meet unexpected obligations, such as the loss of supplies in transit, long delays in receiving returns from the sale of the goods sent over on the King's account and certain defalcations on the part of the agent of the Treasurer General.

The Court professed to be much alarmed over these dangerous irregularities, and by the first vessels in 1700, the minister sent a peremptory order from the King, that the employment of card money must wholly cease, and all outstanding issues be immediately withdrawn and redeemed from the funds sent that year. Replying, in October, 1700, Champigny, after explaining how all the funds for the year had been disposed of, expressed a cheerful willingness to comply with the wishes of the Court for the suppression of the card money, which he would undertake the moment the King had the goodness to provide a substitute. Thus notwithstanding the peremptory orders to redeem the card money from the funds sent that year, most of it still continued in circulation.

In Acadia the commandant, in 1703, finding that his expenditure exceeded the appropriations, followed, as he said, the example of Canada and issued card money to cover the balance. This, of course, was strongly condemned by the minister the following spring. The commandant was ordered to immediately withdraw the card money and issue no more. We find, however, that the issue was continued during 1704, but was redeemed in bills of exchange at the close of that year. Although Acadia was better supplied with currency than Canada, yet resort was had to card money from time to time, until the loss of the colony to the British.

Champigny returned to France in 1702, leaving the greater part of his card money in circulation. The War of the Spanish Succession, which broke

out in 1701, soon involved France in greater financial difficulties than ever. Louis XIV warned the Canadian authorities that he would be unable to afford them much further assistance.

The discontent of the Canadian traders with the operations of the company in disposing of the furs in Europe, led to the transfer in 1700, of the whole fur trade of the colony to the Canadian merchants. They organized themselves into the Company of the Colony and managed the trade through a body of seven directors. Finding, however, that they could not handle it even as successfully as the private corporation, after running hopelessly into debt, in which the colony was also involved, they threw up their contract in 1707, when it passed again into the hands of a private corporation.

Raudot came to Canada as Intendant in September, 1705, when the colonial finances, alike on the side of the Company of the Colony and on the side of the operations for the King, were involved in increasing difficulties. Finding it impossible to redeem the card money or the various issues of the previous ten years, he had an ordinance passed, 24th October 1705, prescribing the uniform circulation as money, of all the cards then in the hands of the public. As a considerable proportion of the outstanding issues represented advances to the Company of the Colony, the minister took exception to this amalgamation of the various issues of card money which rendered the King liable for them all. The intendant was ordered, somewhat vaguely, to have the previous issues reimbursed by those liable for them and all the cards redeemed, beginning with the earliest issues of Champigny.

In his reply of 30th September 1706, Raudot made a general defence of the card money. He maintained that it relieved the King from the necessity of sending coined money to Canada and thus depleting the supply in France. It also eliminated the risk of loss in transit by shipwreck or capture. It also prevented the sending of specie from Canada to the English colonies where supplies could be furnished cheaper than in France. Moreover, as the cards were worthless in themselves, entirely depending for their credit upon the goodwill of the King, they obviously tended, from motives of self-interest, to keep the people of the colony attached to the Crown. It was true that the people of Canada had to pay more in this currency than in coined money, for their supplies from France, but when the whole kingdom was in distress it was only fair that the Canadians should share in the sufferings and disadvantages.

Later in the year, the governor and intendant, replying specifically to the remonstrances and orders of the minister, promised to issue no more card money and to redeem as soon and as far as possible the outstanding issues, beginning with those of Champigny. Pending this process they urged the necessity for replacing the worn out cards by new ones, but only to the same amount as that withdrawn. In replying, the minister demurs to the continued circulation of any of the card money. He urges its continuous redemption, but agrees to the replacement of the old and worn cards by new ones.

Such funds as were provided for current expenditure were retained in France and were drawn upon from Canada in bills of exchange. These were at first paid in coined money, but as the financial difficulties of the French government increased, the payment of the bills from Canada was postponed from time to time. Later they were paid in treasury or currency notes, which were virtually of the same nature as the card money in Canada, but which, owing to their more voluminous issue, fell into discredit more rapidly and, by 1708, became almost worthless. This naturally resulted in a reduction in the demand for Canadian bills.

As may be observed from the documents relating to the metallic currency, several measures had been passed to keep the coinage in Canada adjusted to that of France. But, by 1708, all the currency, even including the copper coins, had left the country, being replaced by card money even to the extent of the issuing of small cards to take the place of the copper coins.

There was no longer any prospect of reducing the issues of card money. The only question was, could the Canadian authorities avoid increasing the amount then in circulation. In 1710 they found it impossible to keep within the appropriations allotted for Canada, hence further issues of cards took place. Such extra issues were accompanied by confident statements that they would be retired out of the funds to be granted for the next year. In 1711 the cards issued amounted to 244,092^l, in money of Canada, or 183,069^l, in money of France.

Under the increasing discredit of the treasury of the home government, the only funds available to meet the increased military and other expenditures in Canada, were the French treasury notes. Hence, in 1711, Canadian merchants refused to take bills on France, and the intendant was compelled to issue still larger sums in card money, which the merchants took in preference to the bills of exchange. To facilitate these extra issues two higher denominations of the cards, for 50^l and 100^l each, were employed for the first time. The promised redemption of the cards out of future funds remaining unfulfilled through successive years, the cards steadily sank in value with every additional issue. But as the credit of the home government sank even lower, the holders of the Canadian cards were fain to retain them rather than seek their conversion into bills of exchange.

The national credit of France having virtually disappeared, the government began to draw upon the municipal credit of some of the larger and wealthier cities of the Kingdom, beginning with Paris. In the first efforts at general reconstruction after the Treaty of Utrecht 1713, these municipal credits were utilized in redeeming the obligations of the home government towards the creditors of the Canadian colony. The general condition of affairs in Canada, more particularly the state of confusion and discredit into which its finances had fallen just before the Peace, are vividly presented in an anonymous memoir of 1712, given in Volume One, p. 223. These conditions may be

compared with those which existed at the corresponding stage before the loss of the colony.

Although the Treaty of Utrecht brought the war to a close, it required a very considerable time to restore the credit of France and its colonial empire, particularly Canada, to anything like normal conditions. The Canadian card money outstanding at the close of the war amounted to about 1,600,000^l. Various proposals, official and private, were suggested for the disposal of it. These are presented in the documents in Volume One, from p. 235 to p. 263. One series of proposals looked to an annual reduction in the face value of the cards, others suggested their conversion into securities, chiefly municipal debentures on Paris or other towns, at a fixed rate of interest. None of these proposals, however, met with the approval of those chiefly concerned, mainly because they promised no ready money, which was the most urgent need of the majority of the holders of the cards.

At length Bégon, the intendant realizing the urgent need for specie, having consulted in advance the chief holders of the cards, proposed their redemption in cash at one-half their face value. A thorough discussion of the subject took place with M. Gaudion, the Treasurer General of the Department of Marine and Colonies, who was quite favourable to the project. On 23rd May 1714, the Court agreed to the central features of this proposal. The cards were to be converted into bills of exchange at one-half their face value, and the bills were to be redeemed in specie at the rate of 160,000^l per annum for five years. Detailed arrangements were accordingly made and bills to the amount of 160,000^l, drawn on M. Gaudion, were sent to France in the autumn of 1714. They were presented early in 1715 and promptly accepted by Gaudion, but when brought in for payment, notwithstanding his most urgent representations, funds were not placed at his disposal and he was compelled to put off the holders for a couple of months with treasury bills; but these too went by default. The national treasury, sodden with its own paper issues, turned a deaf ear to the claims of the colony and Gaudion became the scapegoat, being personally sued on the ground of his pledges to have 160,000^l paid that year.

Naturally there was great confusion and distress in Canada, whose trade and finances were completely deranged. The current expenditure of the colony could not be met because bills of exchange on the Treasurer General could not be sold. Hence the intendant was forced to re-issue, at their face value, a considerable proportion of the very cards which had been redeemed at one-half their value.

Finally, after much discussion, accompanied by strong representations as to the deplorable state of the colony, another plan of settlement was devised and recommended by the General Council of Marine. It was made public in the Declaration of the King dated July 5, 1717. This accepted the previous proposal as to the redemption of the card money at one-half its face value, which was indeed the basis of its circulation in the colony. The last issue of the card

money was to take place in the financial year 1716-17. The outstanding cards were to be returned to the Canadian agent of the Treasurer General of Marine. The amount returned in the autumn of 1717, was to be redeemed in bills of exchange in three annual instalments;—one-third on the first of March in the years 1718, 1719 and 1720. The remaining cards, if returned in 1718, were to be paid, one-half in 1719, and the other half in 1720. All card money not returned then was declared worthless from the date of the declaration. The distinction between “money of the colony” and “money of France” was abolished, money of France to be the only standard; but debts and contracts previously made were to be payable in money of France with a reduction of one-fourth. This had the effect of bringing in the greater part of the card money and permitting of a definite disposal of it.

In this period of post-war depression and virtual financial collapse, resolutions of growing strength and acceptance were made for the entire suppression of the card money, or any other form of credit documents employed as currency. Accordingly, in this declaration of the King, the resort to card money at any time in the future was entirely forbidden.

The bills of exchange for the redemption of the card money were to be drawn on the Treasurer General of the Department of Marine, and to be paid through the new *Banque Générale*. This was the bank established by the famous John Law, and which was soon afterwards entirely taken over by the government as the *Banque Royale*.

In the meantime there was much discussion as to the future policy of the Court with reference to the administration of Canada, and more particularly as to the regulation of its trade, the central feature of which was still the beaver skin. After such unsatisfactory and even disastrous results from the control of the colonial trade by a close corporation, the idea of declaring a free trade for the colony was seriously discussed. The formation, however, of the Louisiana Company and its development, reverted the mind of the Court to the supposed advantages of a control of at least the external trade of the colony by a strong corporation, which might be made to contribute liberally towards its support. The consequence was that, in August, 1717, Canada was once more, with its fur trade, placed under a close corporation, the Company of the West. With this company it passed under the control of John Law and was associated with his bank. The details of Law's financial and commercial policy as affecting Canada are given in full in the documents and notes. The basic features with reference to both the bank and the company were quite sound and worked admirably. Despite the continual difficulties as to their payment, Canadian bills drawn on the Treasurer General of Marine evidently were immediately rendered current in trade if accepted or endorsed by Law's Bank.

The very success of Law's earlier operations afforded the first hopeful reaction from the financial chaos and hopeless depression following the war, and proved to be the chief danger of his system. The blind confidence of the

multitude in his capacity to command prosperity ultimately led to an increasing popular speculation which nothing could check, and, in the end, Law himself and all his creations were simply torn from their foundations and carried along on a veritable flood of speculation, carrying all before it. While it lasted, however, nothing did more to restore Canada to a comparatively sound financial and trading basis than Law's institutions, more particularly his bank.

The official reduction of the value of the card money by one-half, preparatory to its complete withdrawal and abolition, and the change from cards to specie as the circulating medium, naturally caused very many hardships to some, and unintentional profit to others, necessitating many more or less arbitrary adjustments to meet such situations as effectively as possible. The vessels for 1718, supposed to be bringing the supplies of specie and stores for the replacement of the cards and the maintenance of the trade of the colony, did not reach Canada before the close of navigation, hence resort to the cards had to be continued for another year. But their issue ceased in 1719, and a year later they were no longer in evidence, thus bringing to a close the first period of the card money.

The card money having been abolished in Canada, as also the distinction between the Canadian and French money ratings, the metallic money of the home country became, after 1720, the currency of Canada, an experience unknown for thirty years. During the war the currency of France had been increasingly overrated, to prevent if possible its export from the country; but with little success. After the collapse of Law's bank, the real effects of an artificially rated currency could not be concealed and, owing to the changing ratings given them in France and especially to the decrees calling in the whole coinage from time to time for reissue on different standards, the fluctuations in value of the gold and larger silver coins became very wide.

The length of time before a decree, passed in France, could reach Canada and be registered by the council, increased the exchange difficulties of the colony. The impossibility of re-minting the coins in Canada and the consequent necessity for returning them to France to be exchanged for the new coinage, deprived the colony, for upwards of a year, of the greater part of its metallic currency. So rapid, however, were some of the changes in ratings and so liable to complete or partial cancellation or reversal, that sometimes before a decree could be enforced in Canada it had been altered or repealed at home. This was particularly the case in 1720-21, the closing period of Law's System.

It might appear that Canada could have but little interest in the monetary policy of the home government and, therefore, should not require to give very close attention to the changes in weights and ratings of the coinage in the mother country. This, however, was not the case. Canada was anything but a self-contained colony. Its chief export trade and the basis of much of its exchange consisted of furs and the products of the fisheries, which responded very sensitively to the fluctuating markets of Europe. Its domestic industry

was confined to articles of food, home-made clothing, etc. Manufactured articles of all kinds came from France and payment for them was made, either in bills of exchange payable in the currency of France, or in specie returned from Canada. The profits of external trade depended, therefore, very materially on the rating, for the time, of the French currency. These conditions affected even the copper currency, very little of which was sufficient to meet local needs. Thus the governor and intendant report, in October, 1723, that they have conformed to the royal instructions of the edict of June 21st for the mintage of 150,000 marks of copper currency to be circulated in the colonies. The intendant issued an order in 1722, authorizing the circulation of the coin in Canada, and did everything possible to assist the representative of the Company of the Indies in putting it into circulation. The effort, however, quite failed, the reason given being that copper coin was not acceptable in Canada as it was too bulky for transport, but more especially because it was not current beyond the colony. Again, we observe that from the earliest days of Canada to its latest as a French colony, coins not current beyond the country were not acceptable in trade.

For several years after the collapse of Law's System the chief changes in the currency of France and, therefore, of Canada consisted of reductions from time to time in the ratings of the standard coins in an attempt to bring them back to a fair parity with the coinage of the other leading countries of Europe. Occasionally, as already noted, these reductions were accomplished by operations of re-coinage such as the edict of September 27th, 1724. These operations were also intended in part, to fix the ratings permanently on a basis of the intrinsic values of the metals in them, as, for instance, in the edict of September 5th, 1725. This whole policy, however, was suddenly reversed by the edict of January, 1726, which ordered a further re-coinage at a much higher rating. The avowed purpose of this measure was to impose a general national levy by a systematic debasing of the coinage. The ratings were raised to approximately one-third more than the intrinsic value of the coins. The legislative process was completed in June, 1726, the decree being sent to Canada to be registered.

In 1727, owing to the return of most of the specie to France, a consequence of the intendant's being no longer allowed to obtain cash from the merchants in return for bills of exchange, the colony found itself in great straits for a sufficient amount of circulating medium. An important contributing factor to the scarcity of specie and circulation, was the tendency of the French Canadians, whenever their circumstances would permit, to accumulate small hoards of coins. In default of coins, card money was preferred as the next best substitute. As usual in such cases of currency famine there was a revival of time-honoured schemes for the supply of a purely colonial currency which could not be exported; also the ancient device of raising the rating of the

coins in Canada by one-fourth, the French coins being already, as indicated, at least one-third above their intrinsic value.

Where there is a persistent dearth of currency, there invariably ensues an issue of the notes of private individuals. These acquire a more or less extensive circulation in proportion to the reputed credit of the party issuing them. Under the existing circumstances this method of relief was quite generally resorted to in Canada, although accompanied by the usual losses in such cases. This situation naturally suggested that the government of the colony, rather than private individuals, or even the Company of the Indies, should supply the needed medium of exchange. Various petitions to this effect were presented to the governor and intendant in 1728. The matter was submitted to the home government that autumn, and in March of the following year the royal assent was given for the re-establishment of the whole system of card money. Incidentally this provided the government with a welcome relief from the risks and cost of the transport of specie, and the opportunity to meet, without any drain on the treasury, a very considerable proportion of its annual obligation to the colony.

On March 2, 1729, the French government authorized the issue of 400,000^{li} of new card money. It was declared, of course, to be only a temporary measure and in the meantime it would be redeemed, so far as called for, at the close of each fiscal year. The first issue was expected to provide the entire expenditure of the government in Canada from October, 1729, to October, 1730, and only after that were bills of exchange to be drawn for the amount returned at the close of each succeeding year, until their final recall. The cards when returned for bills of exchange in October, were to be employed to meet the payments of the colonial treasury during the succeeding year.

When the minister informed the governor and intendant that not a sol would be accepted in bills of exchange drawn for 1729-30, he quite overlooked the effect this would have upon the trade of the country and the credit of the cards. Exchanges on France were just as necessary to meet the purchases there for that year as for any other, hence when none of the first issue of cards could be converted into bills of exchange their credit was impaired, and a sharp difference in prices was immediately perceived as between payments in cards and in coined money. The balance was restored in succeeding years when the cards were regularly redeemed.

Concurrently with the restoration of the card money system, began a practice which developed into an indefinitely expansive form of paper money. It was impracticable to send supplies of either metallic or paper money to the ever expanding system of western posts and the frontier fortifications, between Canada and the English colonies, extending from the Atlantic to the Great Lakes and Ohio and Mississippi Rivers. Most of the requirements for these posts were sent in the shape of supplies and military stores. It became increasingly necessary, however, to incur local outlays at many of the centres, in the

way of labour and supplies, beyond the regular contracts. These were paid for by the officers in command or the accompanying agents of the treasurer at Quebec, by orders drawn on the colonial treasury at Quebec. These might pass by endorsement through several hands before reaching Quebec and being presented for payment. Thus the orders of one season might not reach Quebec until the following season, or might even remain in circulation for several seasons. Hence it would be practically impossible to determine at the close of any financial year what the outlays of the year had been. The first orders were drawn for very varying and irregular sums which rendered their use in domestic exchange rather inconvenient. For the sake of convenience, therefore, and as contributing to the delay in their presentation at the colonial treasury, these orders were divided into various uniform amounts which rendered them convenient for purposes of exchange and general circulation, among the tradesmen at least. The card money circulated at first in the neighbourhood of Quebec, but soon afterwards extended to Montreal and Three Rivers, later to the growing towns and villages, and finally to the settlements of the *habitants*, but never extended in any considerable quantities to the frontier posts, where the orders chiefly originated and numbers of them remained as circulating medium. Thus in the permanent centres of commerce and supply, both the card money and the orders circulated side by side. When these orders were presented to the colonial treasury they were at first promptly converted into bills of exchange or card money. But when these were not available the treasurer in the meantime issued temporary receipts for them, to be redeemed when bills or cards were available. These receipts in turn were negotiated with private individuals including the money-changers, or used for the payment of past debts or future supplies. They thus became a third medium of exchange, and when later supplied in convenient denominations, also passed into general circulation as notes. On the other hand the card money, when its credit was once firmly established, even tended to replace coined money, as, for instance, in the purchase of bills of exchange and was thus employed by the thrifty *habitants* and townfolk, to supplement coined money in their domestic hoards.

During the period of peace, following the ten years of painful recovery from the world war ended by the Treaty of Utrecht, Canada enjoyed a period of exceptional prosperity which afforded increasing opportunities for enlarging the hoards of the common people. Between the process of hoarding and the increasing currency requirements of the colony, the original issue of card money was more and more absorbed, so that a steadily diminishing quantity of it was presented for conversion into bills of exchange. The need for more card money was constantly pressed upon the home government but with very reluctant response despite its steady depreciation of the increasing employment of orders and notes as circulating media.

This represents the general background of the currency and exchange system in Canada from 1730, to the close of the French régime. Practically

no new features were added during the rapidly expanding expenditures and debt of Canada during the last five years of French rule. It was simply a matter of relative volume and inflated values.

Only a few of the numerous and interesting variations in detail, recorded in the contemporary documents which have been reproduced, need be referred to in the process of development here outlined. In spite of the very drastic prohibitions as to the issue of any card money beyond the 400,000^l allowed in 1731, the governor and intendant considered it indispensable to issue an extra 60,000^l to pay the troops and workmen engaged in erecting the walls of Montreal. Their justification was that they had disobeyed the King's orders in order to promote the King's interests. Although permitted to draw bills of exchange to the extent of 250,000^l, they had actually drawn for only 230,948^l, and of this only 136,489^l represented card money returned, the remainder being for treasury receipts and orders. It was estimated that a still smaller return of card money would be made the next year as increasing quantities of it were passing permanently into the hands of the people, especially the common people. It would be impossible to meet the expenditure of the coming year with the card money remaining in their hands, but as they were again forbidden to issue any new cards they would have to do the best they could. This was a typical representation of the increasing need for more card money and was repeated in various forms from time to time.

The increasing domestic trade of the colony, after the restoration of normal conditions, rendered necessary an increase in small coins; hence the request of the intendant in the autumn of 1731, for an extra supply of copper coins in the shape of *sols marquez*. These were sent the following year, to the extent of 6,000^l. Subsequently, when the French government, by a decree of August 1st, 1738, reduced the rating of the old *sols marquez*, the merchants of France carried many of them to Canada, where they could be disposed of at a profit. This was first met, in October, 1743, by a curious regulation that they could be a legal tender to only one-fortieth of any payment. Later they were reduced to the same rating as those in France.

The minister expressed surprise that more cards were not returned for conversion into bills, but in any case the Court preferred to send out specie to meet the additional expenditures rather than permit a further issue of card money, at least in time of peace. The governor and intendant promised conformity, but added rather naively that the receipts would answer almost as well as the cards, as most of them were employed in payments which would have been made in cards had they been available. To render official what had been merely a practice, namely, the placing of the orders and receipts on the same level of credit as the card money, the governor and intendant passed an ordinance declaring the notes, receipts and orders to be legal tender of the same nature as the card money, and receivable on the same terms in payment of public dues and private debts. The ground on which this was based was the

authority of the King for these papers being received with the cards for conversion into bills of exchange on the Treasurer General of Marine.

In 1732, the difference between the amount authorized to be drawn in bills of exchange from the colony and the amount actually drawn for the card money and other paper, was 62,263¹¹. In accordance with the statement of the minister, that the King would rather send the difference in specie than permit extra cards to be issued, that amount of specie was, in May, 1733, transferred to Canada. The Court now realized, however, that the lack of funds to meet the authorized outlay was real and not pretended, hence, along with the specie sent to meet the requirements of that year, was an ordinance, dated 12th May, 1733, authorizing the additional issue of 200,000¹¹ in card money. Apparently distrustful of the Canadian administration, it expressly forbade it to employ the extra issue of cards in the general expenditures of the colony. The governor and intendant were to report to the King what they considered to be the most urgent requirements of the colony and the respective amounts called for to meet them. The King would then decide which lines of expenditure were the more desirable, and authorize the specific amounts to be devoted to each. No such restrictions were placed on the nature and amount of the expenditures paid for by orders and notes, although these had been officially declared as of precisely the same validity as the cards. In their report to the minister in the autumn of 1733, the governor and intendant deprecate the sending of specie to Canada, as liable to depreciate the paper money of various kinds, which had come to be received as the equivalent of specie, or even better when bills of exchange were in demand.

The issuing of the cards for the additional amount, and of new cards to take the place of the worn and defaced earlier issues, raised the question of the heavy drain on the time of the governor and intendant in writing and signing so many of them. As a partial relief from this, they requested that the cards might be printed in Paris before being sent out, but this was refused as a dangerous innovation. Finding the new cards readily absorbed, the intendant suggested the following year that another 120,000¹¹ might safely be issued. The minister, however, sternly declined to sanction any such increase, his chief objection being that this would tend to incur the liability of having the number returned for conversion into bills of exchange, exceed the authorized amount to be drawn each year.

The total in cards, notes, orders and receipts returned for conversion into bills of exchange in 1734, had exceeded the 250,000¹¹ authorized by the Court. As a result there was much disappointment and even alarm. Those who were fortunate enough to secure bills, were able to obtain a considerable premium for them. In commenting on this the intendant discussed at some length the disastrous consequences which would result from giving the card money a preference in return for bills, over the other paper issues which were equally dependent on the Royal credit. The only admissible remedy, he

maintained, was that the King should authorize him to draw bills, if necessary, to a larger amount than the previously prescribed maximum of 250,000^l. This expansion is necessary to meet the corresponding extension of the card money and the other paper issued to meet the increasing outlays for the government, particularly at the outlying posts.

As the colony expanded and increasing expenditures, not always very closely supervised, were incurred on the King's account, the rigid restrictions maintained as to the issue of cards led to a rapid increase of the volume of orders and receipts. In October, 1740, the governor drew the attention of the minister to the excessive issues of the notes, as the ordinances and receipts were then indiscriminately named. As a result, a sharp distinction had developed between the cards and the notes, the latter passing at a discount, much to the injury of the troops and the general public.

By 1741 the trade of Canada had developed to such a point that there occurred for a time an excess of exports over imports a unique experience in the history of the colony. For the more thrifty colonists this meant an opportunity to increase their personal savings which in virtue of their religious scruples, were hoarded, not loaned. In the absence of specie the card money was used for this purpose. The expenditures of the government increasing and being paid in drafts on the French Treasurer General, bills were becoming a drug on the Canadian market, and their conversion into card money began to be sought. In October, 1741, the governor and intendant reported that of the 600,000^l of card money in the colony, only about one-third was in circulation, the rest being hoarded. Of the amount returned for bills of exchange that year, only 30,000^l remained in the treasury, and one-half of that had just been sent to Montreal. They therefore again urged the issue of an additional 120,000^l in cards. The minister recognized the difficulties of the situation and began to show alarm over the excessive expenditures in the colony on government account. This was a subject of increasing comment from that time forward. Such expressions of anxiety, however, were confined to those sections of the French government having to find the means for meeting the increasing expenditures. The military and other departments were constantly devising and ordering, with practically no regard for the national treasury, new and costly works and services over thousands of miles of frontier, most of it wilderness, extending from the Atlantic to the Mississippi River.

In 1741, the merchants of Quebec, in a petition to the home government, supported the request for an additional issue of card money. At length in an ordinance of the 27th February, 1742, the French government conceded an additional issue of 120,000^l in card money. As already stated by the intendant, this additional amount would not then meet the expanded requirements of the time, hence in acknowledging the receipt of the ordinance, the Canadian government suggested that an additional amount of 80,000^l would be quite safe and very acceptable. They returned to the subject in 1743, with a request for 100,000^l of additional cards, but this was declined on the usual grounds.

Such was the general condition of currency and finance in Canada, when France and England once more went to war (1744). Immediately, of course, the expenditures in Canada began to mount rapidly, with corresponding remonstrances on the part of the home government, accompanied by suggestions of irregularities in the colonial administration, and corruption at some or all of the outlying posts. As an indication of how the colonial paper came to be distributed between the standard card money and the supplementary issues of notes and receipts, the intendant reported after the drawing of bills in October, 1747, that only 55,395^l in cards had been returned, while 2,669,358^l of notes and orders came in. This situation is of special interest in view of the accusation of exceptional corruption when corresponding increases in expenditures and issues of this secondary paper took place during the closing years of the next war, from 1757 to 1760. Both Hocquart and Bigot pleaded, correctly enough to a very large extent, that they were powerless to appreciably restrict the expenditure, which was almost entirely determined by military operations over which they had no control.

Various devices, afterwards much more fully developed, were employed not to lessen but to defer payment of the bills by extending the periods for their liquidation. This occasioned increasing alarm on the part of the merchants, who expressed their views in petitions to the home government. One result of these devices was that the bills of the Company of the Indies, drawn at the usual periods against the exports of furs, etc., rose to a considerable premium over the government bills. Another effect of increasing demand for supplies and deferred payments, was a steady increase in prices. In fact the resemblance of conditions to those of the later years of the previous war, and those of the later years of the next war was very striking. The differences were chiefly differences in quantity, not in kind, and disprove the assertions so industriously reiterated, between 1763 and 1766, that the conditions in Canada during the Seven Years' War were quite unique.

With the temporary restoration of peace in 1748, Bigot, formerly sub-intendant at Louisburg, was appointed to succeed Hocquart as intendant-in-chief at Quebec. This position he filled until the close of the French régime. A summary of the career of this remarkable man, and of the dominant part which he played in the financial history of Canada, is given in Volume Two, p. 765. His first operations at Quebec were connected with the restoration of the colony to normal economic and financial conditions after the peace of 1748. Practically for the first time in the history of Canada, Bigot brought its financial condition into a clear and understandable position. An adequate system of accounting kept the finances as well-ordered as the very scattered and long-deferred returns from the outlying posts permitted. Bigot's great influence with the home government was illustrated in many particulars, as for instance, in the immediate response to his recommendation of an increase in the authorized issue of card money. By a Royal order of 17th April, 1749, the

card money was increased from 720,000¹¹ to 1,000,000¹¹. He also induced the home government to furnish printed forms on which the treasury notes and bills of exchange could be filled in.

The Treaty of 1748 was more in the nature of a truce than of a permanent peace. It was followed by immediate plans by the French military authorities, not merely for holding the British colonies in America in check, but for vigorous encroachments upon them, the extent of which would depend upon the progressive successes of their measures. On the other hand, the American features of the French programme were incidental to the larger objective of definitely checking the expansion of the British empire, whose growth was a serious menace to the imperial ambitions of the French Court. Henceforth Canada was not regarded from the point of view of its own interests, but entirely from the point of view of its possible assistance in the larger policy of France. It was treated as a basis of attack on the rising British power in America. Both its population and resources were entirely utilized to that end. During the last colonial struggle the expenditures in connection with Canada and the military operations carried on within or beyond its borders, were all planned and conducted on European lines, and upon a European scale. This involved, of course, an enormous increase in the expenditures connected with the colony, and incidentally gave opportunities for exceptional profits in furnishing the required supply. But, of course, it correspondingly involved very heavy and prolonged sufferings and privations for the Canadian population.

Very naturally the attitude of old France towards Canadian interests, including Canadian methods and standards, developed a sharp cleavage between the Canadian officers and officials, and those sent out from France to conduct the war. The friction, antagonism and bitterness which resulted did much to impair the initial advantages of the French, due to their superior preparation (a preparation made at the expense of the normal interests of Canada and its people). During the whole of Bigot's régime as intendant of Canada, he was required to make provision for expenditures on a scale hitherto unknown in the colony. He recognized very fully and very clearly what this line of policy involved for the colonial treasury, and its consequent relations to the home treasury. With remarkable accuracy, he pointed out in advance to the central government what all this must involve for the colonial resources. The military authorities, however, would abate nothing in their ever expanding designs and demands, but the imperial treasury constantly deprecated the rapidly increasing demands of the colonial treasury. Bigot himself was under no delusions as to the inevitable consequences, and disarmed most of the criticism in advance by anticipating the difficulties to be met and inviting suggestions as to how to solve them, while expressing not only a willingness but an anxiety to have the burden transmitted from his shoulders to those of others.

The reaction of all this on Canadian currency and finance was as inevitable as it was instructive, in view of past and future conditions in the colony. So long as the French were more successful than the English in their American campaigns, the heavy expenditures were met with fair regularity, though accompanied by the usual complaints as to excessive costs and charges of abnormal corruption in various centres. As in most war periods, and very notably in our last great war, the currency functions of the paper money in circulation at the outbreak of the war, became hopelessly dominated by the financial requirements of the government, ever more hardly pressed for purchasing power.

As we have seen, financial pressure on the Canadian treasury began with increasing military preparations during nominal peace. There was, therefore, no very perceptible difference as to either policy or practice when war was declared some time after actual hostilities had begun. It is needless to attempt to summarize the technical difficulties encountered in financing campaigns in the fathomless wilderness to the west of Montreal. It was impossible to exact vouchers from wandering and fickle Indian bands, recognizing no definite leaders or responsible representatives. Enormous quantities of supplies disappeared into the wilderness, and only the vaguest accounts could be obtained as to their ultimate distribution and consumption. Even the French centres for these distributions partook of the instability of the savages. But from these and the more permanent posts there returned upon Montreal and Quebec, streams of certificates for supplies purchased or services rendered and Indians bribed, equipped and provisioned. Some of these supplies were sent up by the government from Montreal and Quebec, others were furnished by contractors and independent traders whose association and understandings with those in authority at the posts could never be definitely determined.

Quite early in the process, but notably after 1755, the issues of paper money increased rapidly, while the redemption of it was delayed, first by temporary devices and then by official decrees and regulations. The process culminated in complete suspension of payment in October, 1759. At the same time there was great irregularity in supplies and, on the whole, steady diminution, partly owing to reduced local production and bad harvests, and partly to inadequate importations, which, in turn, were sometimes due to acts of providence in the way of shipwrecks, but more frequently to acts of the enemy in the shape of increasing captures of French transports.

In 1755, Montcalm's army of regulars was accompanied by a supply of coined money, to the extent of 1,200,000^l, to be employed only in the payment of the troops and officers, that they might be protected from the increase in costs incidental to the issue of paper money. A similar sum was sent the following year, but part of it was captured by the British in transit. Bigot disapproved of these measures as unwise. He anticipated that the coined money

would not materially lower the prices of provisions, since it was the scarcity of supply, not the use of paper money, which caused the increase in prices. Paper, he maintained, was as a matter of fact, more serviceable to the merchant and importer than specie, so long as they could obtain for it bills of exchange which would be promptly paid in France. It was the postponement of the payments of the bills into which they were converted which lowered the purchasing power of the Canadian issues. In 1753 it was decreed that the bills drawn that autumn from Canada should be paid in three successive instalments, the first in 1754, the second in 1755 and the third in 1756, and similarly for succeeding years.

It was soon discovered that the specie sent out with the troops did not remain in circulation, but disappeared wholly and with alacrity into the private hoards of the peasantry and small tradesmen. There it remained with much of the previous supplies of specie until after the Conquest, when it gradually emerged in such quantities as to dominate the metallic currency of Lower Canada for three-quarters of a century.

The second consignment of specie in 1756, the payment of which to the troops ended on the first of September, 1757, considerably emphasized the conditions which were reducing the value of the paper money, and led to what was undoubtedly an abnormal difference between specie and paper. This in turn gave point to the differences of opinion as to the general advantage or disadvantage of the import of specie. Naturally the officers and soldiers clamoured for a continued importation of specie, while those having most to do with the general finances of the colony regarded the special imports of specie as detrimental to the general utility and value of the paper currency. Circumstances, more than argument, decided the matter against the further transport of specie. British sea power chiefly accounted for the diminished imports of all forms of supplies from overseas, while the more tardily awakened land power was driving in the outposts, and, as already recognized by the French commanders, determining the ultimate fate of the colony. In the closing days of French rule there were many interesting details connected with the financial swamping of the currency, but these cannot be presented in summary form.

When the colony passed into British hands, though not yet into British possession and after the final capitulation at Montreal, bills of exchange which had been drawn on the French treasury were taken to France by the chief officials and more important merchants and tradesmen who accompanied the retiring military forces. There was left, however, in the possession of the smaller tradesmen and general body of the inhabitants, an accumulated mass of cards and supplementary paper money and certificates, which had not been presented for conversion into bills of exchange. Practically all of the cards and a great part of the collateral paper left in the colony had been issued before

the closing years with their inflated prices, and had been stored in the strong boxes of the people along with their specie.

The last issues of colonial paper were regarded as nearly worthless, and when the French army and the representatives of the French government departed from Canada, there was a general recognition, encouraged by the placards of the British generals in 1760, and official declarations after the establishment of British rule, that all the issues of the French government were practically worthless. In the face of this attitude, the distinction between the older issues in the hoards of the peasantry, and most of the latest issues, just before the capitulation, was abolished, all of the paper coming down to the level of the latter. When the terms of peace were being discussed, there were suggestions that some fraction of the face value of the paper might be recovered. This possibility caused the paper to have a certain speculative value, and again brought it into exchange. As a result the British merchants and traders, in order to promote their sales, accepted considerable quantities of it, but at a very heavy discount. Those in touch with the negotiations which ended in the Treaty of 1763, knew that stipulations were being made for the payment of the paper money left in Canada. Several of them instructed their agents in Canada to buy up what was readily available of the Canada paper. After the publication of the Declaration attached to the Treaty, in which the French government promised a general liquidation of its paper issues remaining in Canada, the traffic in these papers became quite brisk. In this way a number of London merchants, engaged in the trade with Canada, acquired larger holdings of the Canada paper, duly registered in accordance with the proclamations issued in the three districts of Quebec, Three Rivers and Montreal. With the transfer of the greater part of the Canadian holdings to the British merchants in London, the subsequent fate of it ceased to have much interest for Canada.

The chief London holders enlisted the influence of the British foreign office and its diplomatic representatives in Paris, in securing as complete a redemption as possible of the Canada paper. This led to prolonged negotiations between the British and French governments, in which a committee of the British holders played an important part. The chief interest which these negotiations have for Canada, lies in the manipulation of the facts connected with the issue and discredit of the paper money during the closing years of French rule. The alleged facts were presented in a manner to suit the argument of the French officials in justification of the nearly complete payment of the exchanges returned to France, while the issues which remained in Canada, including the card money and earlier notes, were reduced by three-fourths. These negotiations and their ultimate outcome are indicated in a few typical central documents, while supplementary and explanatory features are summarized in the notes and references which accompany them.

The history of the currency and exchange of Canada during the French regime—the most effective introduction to the economic history of the colony—furnishes many illustrations of the fact that the economic consequences of one world war closely parallel those of another. Of this fact, the last great war with its examples of depreciated currency and bankrupt finance, is but one more instance.

ABBREVIATIONS

Reference to certain of the sources from which the documents in this book have been taken are abbreviated as follows:—

ABBREVIATION	SOURCE
	<i>(Archives Transcripts from France.)</i>
	Archives Nationales:
	Archives des Colonies:
Série A	Série A (Arrêts, Déclarations, Edits, etc.)
Série B	Série B (Ordres du Roi, etc.)
Série C ¹¹ I, C ¹¹ II, etc. ¹	Série C ¹¹ I-C ¹¹ VI (Correspondance Générale).
Série F ³	Série F ³ (Moreau de St. Méry Collection).
Série F ¹²	Série F ¹² , Registre du Conseil de Commerce.
Série B ¹ , B ² , etc.	Archives de la Marine.
Affaires Etrangères:	Ministère des Affaires Etrangères:
Mémoires, etc.	Mémoires et Documents—Amérique.
Correspondance, etc.	Correspondance Politique—Angleterre.
Nouvelles Acquisitions Françaises.	Bibliothèque Nationale:
Guerre: Correspondance.	Nouvelles Acquisitions Françaises.
	Ministère de la Guerre:
	Archives Historiques: Correspondance.
	<i>(Archives Transcripts from England.)</i>
C.O.5	Public Record Office: Series C.O.5
Q.	Series C.O.42 (Archives Series Q.)
	<i>(Canadian Sources.)</i>
Archives de Québec:	Archives Provinciales de Québec:
Ordonnances des Intendants.	Copies d'Ordonnances des Intendants et autres.
Insinuations, etc.	Insinuations du Conseil Supérieur.
J. et D.	Jugements et Délibérations du Conseil Supérieur de Québec.
—————	
New York Documents.	<i>Documents relating to the Colonial History of the State of New York: Albany, 1855.</i>
Lettres, etc. de Colbert	<i>Lettres, Instructions et Mémoires de Colbert. 8 Vol. Paris, 1861.</i>
Edits et Ordonnances.	<i>Edits et Ordonnances: Revus et corrigés d'après les Pièces originales déposées aux Archives Provinciales: 3 Vol. Quebec, 1854-1856.</i>
Zay: Histoire Monétaire.	<i>Histoire Monétaire des Colonies Françaises, par E. Zay: Paris, 1892.</i>

Many of the documents reproduced being drafts, contain matter which, in the original, is scored: in this book, such matter is enclosed in heavy brackets [].

¹ This series has lately been renumbered, C¹¹ A-C¹¹ G.

CURRENCY AND EXCHANGE

FRENCH PERIOD

VOLUME I

DOCUMENTS RELATING TO THE HISTORY OF CURRENCY,
EXCHANGE AND FINANCE IN CANADA

FRENCH PERIOD

VOLUME I

ALTERATIONS IN THE RATINGS OF COINS¹

I. The Eighteenth Day of July, 1654.

The Council, having been notified that the gold and silver coins have been reduced in France to their former value, and being obliged to conduct itself in accordance with the orders of the Kingdom, has ordered and hereby

¹ During the sixteenth century, owing chiefly to the exploiting of the American mines, the precious metals in the coinage of Europe increased fourfold. In common with the general experience of the world during that period, the coinage of France had greatly diminished in purchasing power. There were many changes made in the rating of the coinage, for the double purpose of adjusting the currency to the changing values of the period, and to attract the precious metals from adjoining countries, especially from Spain. In 1602 the introduction and circulation of foreign coins was encouraged, but as this led to a great influx of low grade coins, after much discussion and many conferences, a new rating was established. In December 1614 the *écu d'or* was fixed at 75 sols or 3 livres 15 sols, with a rating of the other coins in proportion. At this time silver stood to gold in the ration of 13½ to 1. In subsequent attempts to conserve, and, if possible, increase the domestic supply of metallic currency, the rating was increased from time to time, especially during periods of war. This enhancement culminated in June 1636 with a rating of 5^{ll} 4s. for the *écu d'or*. This process furnished opportunities for both the production and introduction of depreciated and mutilated coins. After various ineffective attempts to deal with these evils, a new coinage was resolved upon, in March 1640. The light coins were called in and their circulation prohibited. The new coins were named louis; first the *louis d'or*, of a slightly lower standard than the *écu d'or*, and afterwards, in December 1641, the *louis d'argent*. The original *louis d'or* was rated at 10^{ll}. There were halves and doubles of 5^{ll} and 20^{ll} respectively. This new French coin was modelled on the Spanish *pistole*, which was rated in France on the same basis. The *écu d'or*, however, continued to be minted. The original *louis d'argent* was a piece of 60^s. or 3^{ll}, but was popularly known as the *écu blanc*, no silver *écu* having been coined. There were also subdivisions of the silver louis of 30, 15, and 5 sols. All of these new coins were struck in Paris at the mint in the Louvre. To prevent their weight being reduced by grinding or paring, the edges of these coins were milled for the first time. The beauty and perfection of the new dies, engraved by the celebrated Varin, and, finally, the introduction of the stamping machines rendered counterfeiting of the new coins practically impossible. The copper coins were the *deniers*, single and double. In 1649 the double *denier* was issued under the name *liard*, the lowest coin circulated in Paris. Single *deniers* circulated in the provinces or the colonies.

Louis XIV came to the throne in 1640, and soon afterwards the popular tendency towards increasing the rating of the coins was resumed. Before 1652 the new *louis d'or* had risen to 12^{ll}, and the *louis d'argent*, or *écu blanc*, to 3^{ll} 10s, and the others in proportion. In the declaration of 4th April, 1652, an effort was made to restore the rating to 10^{ll} for the *louis d'or* and the *pistole*, 5^{ll} 4s. for the *écu d'or*, 3^{ll} for the *louis d'argent*, and the others in proportion. It was found necessary to effect this by a gradual reduction prescribed 7th March, 1653, resulting in the complete reduction by March 31st, 1654. This is the decree to which reference is made in the above order of the Canadian Council of the 1st July 1654. It is to be observed that the Order here given, as well as the following one of 7th October, 1661, does not affect the local rating of the copper currency, which circulated chiefly among the country people. For the history of the French coinage down to 1690 see Le Blanc: *Traité Historique des Monnoyes de France*: Amsterdam, MDCXCII.

orders that from this day gold and silver coins shall be reduced, and have currency after the rate in France, increased an eighth to cover the risks of the sea.

II. The Seventh October, 1661.

On representations which have been made to the Council by several of the inhabitants of New France, that notwithstanding the various measures they have devised for bringing coined money from France to this country for the benefit of the public and of commerce, these measures have always been unavailing, because the money passes in this country at nearly its rate in France. This discourages the merchants who conduct the trade, from bringing it hither, and even when they have brought it, they themselves have carried it back for their own convenience. In order to obviate this, to accommodate the public and to promote business, WE HAVE ORDERED that hereafter the quarter écu shall be current here at twenty four sols, and the other gold and silver coins in proportion.¹

III. March 20, 1662.

The gentlemen of the Council have represented that it will be for the public and private good of the country, to raise the rate of the coins by one quarter, as was formerly the practice. It is hereby declared that hereafter the silver écu shall be rated at four francs, and all other coins whether gold, silver or others, in proportion, as shall be more particularly specified in a tariff to be issued by the above mentioned Council.

Done at the Fort of Quebec, the eighteenth of March, one thousand six hundred and sixty two. Signed. Dubois Davaugours, and (lower) Peronne de Mazé, Secretary, with paraph.

In consequence of the foregoing ordinance of the Governor, registered and deposited at the Secretary's office, which was published yesterday, and in order to facilitate commerce and the circulation of currency in this country, the Council has established the tariff and scale which follow. That is to say, that hereafter the louis d'or, and Spanish pistole shall pass current at fourteen livres thirteen sols and four deniers each.

The half louis d'or and half Spanish pistole at seven livres six sols and eight deniers.

The gold écu at seven livres twelve sols.

The silver écu at four livres.

The half silver écu at forty sols.

¹ After 1654 the values of the coins began to rise again until 1666, the object being, as usual, to attract bullion to France. Incidentally it attracted it from the colonies also, hence this Order of the Council. As to the coin known in the colony as the quarter écu, see the following note, p. 7. The increase of one fourth "as formerly practised," probably refers to the rating previous to the Order of 18th July, 1654, see p. 3. As a matter of fact the increase in the rating in Canada over the official rating in France was one third, as may be seen from the list given below and subsequent practices and references. Thus the *louis d'argent*, or *écu blanc*, whose legal rating was 3^l, was increased to 4^l. The definite re-establishment of the increased rating of one third over the French rating was maintained until 1717. See p. 401. This was the basis of the distinction between "money of the country" and "money of France," the former being rated at one third more than the latter, and the lower denominations in proportion.

The quarter *louis d'argent* at twenty sols.
 The *petits louis* at six sols eight deniers.
 The quarter *écu* at twenty-six sols eight deniers.
 The Spanish reals at three livres seventeen sols.
 The half reals at thirty eight sols eight deniers.
 The quarter reals at nineteen sols four deniers.
 The patagons at three livres twelve sols.
 The half do. at thirty-six sols.
 The quarter do. at eighteen sols.
 The *sols marqués* at twenty deniers.

Decreed the day and year above mentioned, and to be published.¹

Extracted from the registers of the Council established by Order of the King's Council of State the 27th March, 1647,² by me, His Majesty's Councillor and Secretary, and Chief Clerk of the Supreme Council of New France, at Quebec. *Signed* /·

PEUVRET.³

¹ It may be observed that the increase of one third in the gold coins in this table is not based on the legal rate, as, for instance, 10^l for the *Louis d'or* and *pistole*, but on a rating somewhat above it which was probably the rating of the coins at the time, since they were constantly changing. At that period, according to Clement, more than seven hundred decrees and orders relating to money, directly or indirectly, were issued between 1661 and 1683. (*Lettres, etc. de Colbert, Vol. VII, p. lvi.*) The term "quarter *écu*" is obviously a misnomer, as far as value goes, since it would be identical with the *louis d'argent* at the rate of 20 sols, and not 26s. 8d. The explanation is to be found in the fact that in 1656 there were issued two new coins, the *lis d'or* at 7 livres, and the *lis d'argent* at 20 sols. Although they were discontinued the following year, probably due to the confusion in popular designation, a number of them were evidently sent to Canada. This is plainly the coin named quarter *écu* and rated accordingly at 26s. 8d., being an increase of one third. In 1658 two new coins were issued of 15 and 20 deniers, which were popularly named the *sol* and the *sol double*. These were apparently over-rated and were recalled soon after their issue. They were evidently re-issued, however, at a later period. It was profitable to send them to the colonies and considerable numbers were sent to Canada. The fact that they were stamped in the new minting machinery at the Louvre, while the other small coins were the product of hand work with the hammer and die at the various provincial mints, apparently led to their being popularly designated *sols marquez*, to distinguish them from other coins popularly named *sols*. The one referred to in the table is the 15 *denier* piece raised to 20 *deniers*. The relative over-rating of these coins led to much trouble in the colonies in future years, as evidenced in several subsequent documents. The *patagon* was a Spanish coin, the "*petacoön*," popular in the Spanish American possessions and probably passing from thence to Canada.

² This has reference to the first council established at Quebec, see note 2, p. 15.

³ Jean Baptiste Peuvret du Mesnu was appointed to the office of Clerk and Secretary of the Sovereign Council, 18th September 1663. He was dismissed by Mézy 19 September 1664, but reappointed by de Tracy on the 15th April 1667. In the famous disputes over Frontenac's claim to preside at the Council, Peuvret was between two fires, being subject to orders from both parties. He was sent to prison by Frontenac for not obeying his orders as to entries in the minutes. He was again restored, took his place 25th October 1677, and held it until his death, 1687. There are numerous documents on the subject of the dispute, especially in the year 1679. On the first of May 1666 he was nominated to the office of fiscal attorney at Quebec by the West India Company and was duly appointed. On the 10th March 1685 the reversion of the office of assistant clerk of the Sovereign Council was granted to Denis Peuvret his son. The latter having died was replaced in the office of chief clerk by his brother Alexander in the spring of 1694. The latter died 1702.

SPECIAL AUTHORITY FOR COLONIAL COINAGE

26 November, 1663.—*Order-in-Council for coining 100,000 livres of silver and copper pieces for the Indies*¹

PROPOSALS FOR A SPECIAL CANADIAN CURRENCY²

1663, Canada.

.....

It is also necessary to scrutinize the coinage, to prevent the circulation of foreign coins, and the overrating of the coins in circulation, and to restore to their proper rating those which are enhanced. The reason is, that these two irregularities impoverish states by two means, viz:— by the exportation and the debasement of the coinage of the country, and by the loss which takes place by overrating, although it might seem to show a profit. For example, the silver louis exchanges for four livres of New France, but the person who receives them actually holds only three livres, the 20 sols of enhancement are only imaginary, since, if he wishes to employ them in purchasing merchandise, the merchant, desiring to avoid loss, will raise the price of what he has to sell, and will give him for four livres what is worth only three. Since the country has no gold or silver mines yet discovered, and cannot strike coins for lack of the metals, the remedy would be to have the funds which it may please the King to send annually to the country, transported thither without expense or charge, and distributed at the current rate in France; following this by a proclamation of His Majesty, forbidding the enhancement of the coinage and lowering from time to time what had been raised, with a prohibition under the usual penalties against restoring it.

And as the crime of counterfeiting is not greatly to be apprehended, by reason of the difficulty of producing it, but only that of clipping, it would seem necessary also to establish the weight there of all current coins, which is the true test of the soundness of the currency, and the only means of preventing and suppressing any irregularities. Such coins as are light or out of circulation, being collected by persons appointed for this purpose, should be defaced and returned to France to be melted and converted into others.

Small change is necessary for a small commerce, and it is impossible to do without it. It would be dangerous to send out debased currency or

¹ Apparently no effect was given to this Order in Council. It was taken up again, however, in 1670 under the declaration of the King of 19th February, followed by a decree of the King's Council of State of 24th March of the same year. See below p. 29.

² This is a portion of a memoir of 1663, without place or signature, dealing with the general problems involved in the establishment of the colonies, but with special reference to New France.

copper coins, as one might overstock the country with them and by this means draw off the gold and silver coin. To avoid this inconvenience, a certain quantity of brass coins might be minted at Paris, in the presence of a commissioner, with figures different from those on ordinary coins of the same weight and value, which might be sent out with the dies and matrixes, to be under the custody of the Intendant, who would be entrusted with the duty of distributing the coins to those who sell most extensively by retail, at the equivalent which they would give in good coins, which would remain on deposit. The latter having given them to the people, and in payment to workmen, they could purchase small supplies with them, and when they had a quantity of them and wished to exchange them, they would carry them to the Intendant, who would redeem them at their value from the moneys which remain on deposit with him. Thus the quantity (of the special coins) not being liable to over-issue, they might be withdrawn whenever desired. There would be no loss to any one, they would cost merely the expense of minting which would not be very much. It would be a token money which could not be counterfeited without prompt discovery by the restamping on the dies and matrix.

.....
[Not Signed].

REDUCTION OF LIARDS

*Order of the Superior Council of Quebec, reducing liards
to three deniers each: the 17th April, 1664*

The Council met; present The Governor, The Bishop, and Messrs de Villeray, de la Ferte, de Tilly and Damours; the King's Attorney-General also present.¹

On that which was pointed out by the King's Attorney General that divers private parties, observing the increase in rating given to small change, especially liards and doubles, had brought a great quantity of it into this country, that it was to be presumed that by the next vessels, a greater quantity

¹ Denis Joseph Rouette d'Auteuil De Monceaux Sr. was appointed one of the first members of the Council and Attorney General in 1663. Governor Mezy removed him from Council in February 1664, as taking the part of the Bishop in the disputes of that time. He was, however, soon restored. Frontenac also sent him into retirement, but he was again restored by special letters and, having been nominated by the West Indies Company, was appointed Attorney General on the 25th April 1675. He belonged to a family which, like that of Aubert, occupied an important economic and social position in the colony. He died on the 27th November 1679.

His son, François Madeline Rouette d'Auteuil succeeded his father as Councillor in 1680, and played a prominent part in Canadian affairs until his death in 1737. He was only nineteen years of age when, in 1677, he was appointed assistant to his father in the capacity of Deputy Attorney General, and was only twenty three when, with the special authority of the King, he was appointed to the full powers of Attorney General and Adviser to the Council. Writing to the minister in 1680, he thanks him for his appointment as Attorney General but states that the Governor is unwilling to confirm it. As a matter of fact Frontenac found the son as little to his taste as the

still would be brought, owing to the attraction of the profit on it, moreover that liards pass here at six deniers each and deniers at doubles and [that] lastly, the total ruin of the country would follow with this change remaining at such a rating, if there were not a suitable remedy applied.

In order to obviate which, the Council declared that in future, commencing from this day, the said liards shall pass and be used but for three deniers each and the doubles at a denier and that the small deniers shall not be current.¹

And shall be read, published and posted up these presents, in the customary places at Quebec, Three Rivers and Montreal so that no one may be ignorant of them.

Signed:—

REQUEST FOR MONEY INSTEAD OF SUPPLIES²

June 18, 1664.

MY LORD,

.....

We are of opinion that it would be of advantage to the country, if next year, instead of provisions and merchandise, His Majesty would send the money which he intends to employ here. The *habitants*, for their provisions, and the workmen would prefer this form of payment. We would have as much profit thereby, an écu being worth four livres, and we would have no tonnage or freight to pay. That would also facilitate commerce, our great inconvenience being lack of money which we cannot prevent the merchants from returning to France, although it passes at a higher value here. This arises from the fall in the price of beaver skins which in France are no longer appreciated as they used to be, on account of the woollens of Muscovy and *Vigongne*, which are said to be in favour. If His Majesty were disposed to prohibit the sale of these, he would confer a very great benefit on poor Canada, which hitherto has but this one article of trade. There is a little wheat this year, beyond what is required, but as there is no sale for it, it is desired that His Majesty in sending next year a regiment to be main-

father, with the added flavour of youthful insolence. As a result, the fiery tempered governor resorted to drastic measures and summarily packed him off to France with a statement to the minister that this was done on account of his pretensions to the office of Attorney General and his insolent attitude towards himself as governor. Young d'Auteuil, however, proved even more troublesome to Frontenac in Paris than in Quebec. The Attorney General returned to his appointment in Quebec, Frontenac was rebuked for his conduct towards him, and soon afterwards recalled. This gave some ground for the claim made by d'Auteuil that he had personally secured his recall. The young Attorney General, however, could not stand prosperity. His overbearing conduct, added to more serious defects, resulted in his own dismissal from office in June 1707. Although thenceforth out of official connection with the government, he managed to remain a powerful force in Canadian political as well as economic affairs. Being a clever advocate and forceful writer, he made life unpleasant for his numerous enemies official and private.

¹ The *liard*, a copper coin of 2 deniers, was first issued in 1649 and was afterwards known as a "double". The other copper coins were *deniers* and double *deniers*. The former circulated only in the country districts. This was obviously the one debarred from circulation in Canada.

² To Colbert.

tained here, as you led us to hope, would send only half the necessary flour, with the money to procure here the remainder, in order to avoid hazard.

.....

[Signed] THE SOVEREIGN COUNCIL ESTABLISHED AT QUEBEC.

LIARDS TO PASS FOR TWO DENIERS

July 17, 1664.

The Council met.

On the representation of the King's attorney general, merchants coming from France bring with them to this country quantities of liards, by reason of the considerable profits they make on them. In France they pass for only two, and in this country for three deniers, which will be a burden to the country if it is not prevented.¹

The Council has ordered, and hereby orders that in future liards shall pass for two deniers only. This shall be read, published and posted up.

REGULATION OF PRICE OF WHEAT WHEN GIVEN IN PAYMENT

Friday, 29th day of May, 1665.

The Council in Special Session.

ON THE STATEMENT and representation of the King's attorney general that there was a decree by which wheat was ordered to be rated at one hundred sols in payment of old debts, in order to facilitate the commerce of the country.² This is now and may be in the future, very prejudicial to the public, it being a matter of justice to make good and valid payments. The people also are interested therein as they have no market for their wheat. Wherefore, the attorney general asks that in future wheat be taken in payment, on the appraisalment of persons having knowledge of the matter. THE COUNCIL has ordered that, in future, those who may be obliged to receive payment in wheat shall not be constrained to receive it, except at a price fixed by experts and persons having knowledge of such matters.

The which shall be read, published and posted up.

¹ See Order of the Sovereign Council 17th April, 1664, p. 11.

² This Order or Decree has not yet been found. It was evidently passed by the Council established in 1647, (see note 1, p. 331) which preceded the Sovereign Council, established April 1663. Only fragments of the records of this council appear to have been preserved, as where copies are enclosed with other documents relating to Canada, in the *Correspondence Générale* and other series.

SPECIAL COINAGE FOR THE AMERICAN COLONIES

26 November, 1665.—Order in Council directing the coining in the mint of Paris of coins to the amount of 100,000 livres to be current only in the territories granted to the West India Company, to wit: pieces of 20 and 10 sous of silver, nine-tenths fine.

Upon the representations made to the King by the Directors-General of the West India Company, that, for facilitating trade in the Islands and on the continent of America, and for the convenience of the subjects of His Majesty who dwell therein, it is necessary to send there small change, particularly for the day labourers, who having to receive payment for their work entirely in sugar or tobacco, which they can sell only in France, receiving the proceeds a year after, leave the islands inhabited by the French and go to others where they are paid in coined money with which they buy the provisions and articles necessary to their sustenance; but, as the coinage of standard in France would not remain in those parts, those who trade in those countries or who return therefrom, always prefer to bring back coin rather than sugar or tobacco. The Directors-General petition His Majesty to have some new coins struck of silver, alloy, and copper up to a certain amount, of a lower standard than those which circulate in the kingdom, and with their rating raised above their intrinsic value, to meet both the expenditure and advances to be made by the company and the risks of sending it to those territories. This is the only way to cause the said coins to remain there.

“Having heard M. Colbert, etc.”¹

SOLS MARQUEZ TO CIRCULATE AT 20 DENIERS EACH

January 10, 1667.

The Council met.

ON A REPRESENTATION of the King's attorney general, that, in the year one thousand six hundred and sixty-two, the Council which was called by S^r Dubois Davaugour, at that time governor of this country, ordered that the *sol marqué* should circulate in this country on the basis of twenty four deniers a piece.² The object was to attract this species of coin of which the country was in need. This having been published, it has resulted that several persons, since that time, have brought from France a very great number of these, so that there are scarcely to be seen any other coins, which has brought about

¹ Here follow the details of the Order. These coins do not appear to have been circulated in Canada.

² This appears to have been a special order supplementary to the general orders of 18th and 20th March, 1662, see p. 5. Like most of those which preceded the establishment of the Sovereign Council, it has not been found.

very great injury to the public, in that some foreign merchants, observing the amount of the appreciation of this species of coin as compared with the others, make it a pretext to raise the price of their merchandise. It being necessary to avoid these irregularities, the said sols marqués should be reduced to the basis of the other coins. The Council has ordered, and hereby orders that, hereafter, commencing from the first of February next, the *sols marqués* shall not circulate except at the rate of twenty deniers each. Meantime, to save from loss those who find themselves burdened with these coins, they may, during the remainder of this month, deposit them with S^r de la Chesnaye Aubert,¹ who will receive them at twenty four deniers a piece, and give his receipt for them. The said time having elapsed he will redeem them without abatement of any kind, in accordance with the agreement which was made with him on the subject. The present order shall be read, published and posted up in the customary places so that no person may be ignorant of it.

EXTENSION OF TIME FOR REDUCTION OF SOLS MARQUEZ

January 31, 1667.

The Council met.

ON THE REPRESENTATION of the attorney general that it would be expedient to send to Three Rivers and Montreal and adjacent districts a copy of the ordinance respecting the reduction of the value of the *sols*

¹ Charles Aubert de la Chesnaye arrived in Canada in 1655 and established himself as a merchant at Quebec. He was son of Sr. Aubert, Intendant of the fortifications of the city of Amiens. When the trade of the King's post at Tadousac was offered for lease, in 1663, Aubert de la Chesnaye was the only bidder. It was again opened to competition, but there being still no further offers it was finally granted to him at 30,000 livres per annum. When the West India Company found that it could not fulfil the conditions of its lease, it granted to Aubert, who had been its agent at Quebec, all its trading rights, from 1666 to 1674, when the Company was abolished. By resolution of the Company, of April 23rd 1672, Aubert was appointed to sit and vote in the Sovereign Council as representative of the Company and to take rank next to the first councillor. On October 24th, 1682, we find, from an ordinance of de la Barre and de Meulles, that he was appointed to sell arms to the inhabitants, and to take in payment farm produce, at the rate of 50 *sols* per bushel for wheat and at current rates for corn, peas, and salt pork. Letters of nobility were granted to him, on the 24th March 1693, in recognition of his services in the development of the resources and trade of the country, including the expenditure of considerable capital in clearing and cultivating lands. He was appointed a member of the Council 22 May 1696. He served in the wars against the Indians under governors de la Barre and Denonville, as also his sons, one of whom was killed. He built and manned a privateer, and in August 1697 captured a small English vessel. In October of the same year his own vessel was captured by the English. When, in 1700, the Company of the Colony was formed to take over the beaver trade, (see note 2, p. 117) at a meeting on the 16th October 1700, called to appoint directors, he and de Lino (see note 3, pp. 117, 121) were selected as delegates to visit France in connection with the formation of the Company. He took part also in the establishment of the Company of the North, the rival of the Hudson's Bay Company. He died in 1702. He and other members of the family figure constantly in the documents relating to Canada. His prosperity caused him to be accused of utilizing his power and family influence for personal gain. Having, in 1667, as farmer of the revenues, the chief command of the colonial finances, he was naturally the most appropriate agent for the withdrawal of the over-rated *sols marquez*.

marqués, and to allow to the inhabitants of the said places a period within which they may remit what they have of these to persons whom S^r de la Chesnaye Aubert, the officer appointed to receive them, may appoint in the said places, and even to extend the period by eight days to enable all persons residing as well in this town as in the countryside and environs, to transfer without inconvenience to the said S^r Aubert what they may have of these coins, in accordance with the terms of the said ordinance. The Council has ordered and hereby orders that all persons residing at Three Rivers and Montreal and places adjacent thereto, may, in accordance with the above mentioned ordinance, transfer what *sols marqués* they have, those of Three Rivers to the custody of S^r Desmarestz within three weeks, computing from the day of the publication of the present and of the aforesaid ordinance, and those residing on the Island of Montreal to the custody of S^r Le Ber, within the same period. The said S^{rs} Desmarestz and Le Ber¹, appointed by the said S^r de la Chesnaye Aubert, to take them over and to keep a list of the sums which are deposited with them by each individual, and after the expiration of the said period, to make redemption at full value, issuing the said *sol marqués*, if they are employed for the said redemption, at the rate of twenty deniers a piece, since provision is here made for the indemnification of the said S^r Aubert. [The Council] has also extended, and hereby extends, in favour of persons residing in this town, its suburbs, and the circumjacent districts, the postponement by eight days, during which they may deposit with S^r de la Chesnaye Aubert what *sols marqués* they may have, but at the expiration of the said time they will no longer be received. In order that no person may be ignorant of the same, this order shall be read, published and posted up, wherever it may be necessary.

PRIVATE AID TO MEET DISTRESS FROM REDUCTION OF SOLS MARQUÉS

Monday, February 14, 1667.

The Council met.

THE COUNCIL DESIRING to do justice to the poor inhabitants of this country, and to relieve them of the loss which they would suffer from the reduction in value of the *sols marqués*, and seeking to make up a fund to meet this object, has accepted and hereby accepts the offer of Chevalier Alexander de Prouville, Seigneur de Tracy, Councillor of the King in Council, Lieutenant General of His Majesty in South and North America, by sea and land, to place for this purpose in the hands of S^r de la Chesnaye Aubert, the sum of six hundred and ninety three livres, as also that of Chevalier Daniel de Remy,

¹ Little is known of Sieur Desmarestz. He was apparently a merchant at Three Rivers. Sieur Jacques le Ber was a very prominent merchant of Montreal and afterwards the possessor of the seigneurie of Senneville, receiving letters of nobility in 1696. He conducted a trading establishment at the head of the Island of Montreal near St. Anne's, and shared with others in that neighbourhood in the very profitable but more or less clandestine trade with the Indians. The family retained, however, the royal favour. Several members held important military ranks and vigorously supported the French cause in the struggle which ended in the loss of the colony.

Seigneur de Courcelle,¹ Governor and Lieutenant General of His said Majesty in New France, to contribute the sum of five hundred and thirty livres ten sols and eight deniers, and that of M. Jean Talon,² Councillor of the King in his Council of State and Privy Council, Intendant of Justice, Police and Finance of the said country, to furnish four hundred and twenty four livres and in addition, has assessed the Company, Seigneurs of this country, to bear the said reduction in value, to the extent of five hundred and thirty livres, S^r Jaques de la Mothe in the sum of two hundred and sixty livres, S^r Daniel Biaille in the sum of one hundred livres, M^r Chamot in the sum of one hundred and fifty livres, S^r Feniou in the sum of twenty livres, Charles Palentin in the sum of seventy livres, Thierry de Lettre, the Walloon, in the sum of seventy-five livres, the widow of Antoine Le Boesme in the sum of thirty livres, S^r Jean Maheust, in the sum of sixty livres, which said sums the Council has ordered and hereby orders the said S^r de la Chesnaye to deduct or retain in his possession from those sums which he can satisfy himself can be allowed to the aforesaid persons by reason of the *sols marqués* that they have been able to deliver to him under the Ordinance to this effect published. And, in addition, [the Council] has ordered him to keep account of, or furnish to all those who have been able to remit him the said money, the total of the amount of each, without any reduction. And in order that he may have complete information of the whole matter, there shall be delivered to him by the Registrar of this Council, a copy of the present [Ordinance].

WHEAT TO BE TAKEN IN PAYMENT AT 4 LIVRES PER MINOT

March 19, 1669.

The Council met.

ON REPRESENTATION to the Council this day by *Maitre* Claude Bouterouë,³ Councillor of the King, etc., that several individuals have complained to him that their creditors refused the wheat which they tendered them in payment, or were unwilling to take it except at a very low rate, which puts it out of their power to make payment, they having no other goods but the produce of their harvest. They are thus reduced by the lowness of the rate, to the necessity of drawing upon what they have reserved for their subsistence; Having heard the syndic of the people and the principal merchants of this town called together for this purpose, as well as the deputy attorney general, the subject was taken into deliberation. The Council has ordered and hereby orders that, as a provisional measure, for

Ordinance respecting the valuation of wheat in the payment of debts. Published by Le Vasseur, April 14, 1669.

¹ Daniel St. Remy, Knight, Seigneur de Courcelles, was Governor of Canada from September 1665, to September 1672. His commission of appointment was dated 23rd March, 1665. Colbert's instructions to him, giving the general policy of the court with reference to the colony and the church, were dated 15th May 1669. His jurisdiction extended also over Acadia and Newfoundland.

² Talon, whose title and functions are here given, was the greatest of the Intendants. He was a very important factor in developing the economic life of Canada and placing it on a sound and progressive basis. His character and career are fully set forth in Chapais, *Jean Talon, Intendant de la Nouvelle France 1665-1672*, (Quebec, 1904.)

³ Claude Bouterouë was selected by the Minister Colbert, April 1668, to succeed M. Talon as Intendant when the latter returned to France owing to serious disagreement with Governor Courcelles. He retained the position for only a year, when Talon was reappointed. He remained in Canada for a time, however, returning to France

three months from the publication of these presents, debtors may tender in payment, as well to merchants as to other creditors, good merchantable wheat at the rate of four livres the minot. It is forbidden to refuse it, or to buy any to tender it in payment, on pain of confiscation of the grain so bought and of an optional fine; And in order that the present ordinance may be known, it is ordered that it be read, published and posted up in this town in the customary places, and distributed in all the domains subject to the Council, in order that, under the direction of the judges and fiscal officers, it may be published and posted up, the whole to be under the supervision of the deputy attorney general.

A SPECIAL COLONIAL MONEY

I

COLONIES OF AMERICA

Declaration of the King that there shall be minted a special money for the Islands and Continent of America. 19th February, 1670.

LOUIS, BY THE GRACE OF GOD, KING OF FRANCE AND OF NAVARRE, to all those to whom these presents shall come, GREETING. The Directors General of the Company of the West Indies having represented to us that for the convenience of commerce in the Islands and the Continent of America and other places, within the territories which we have conceded to them, and for the accommodation of our subjects dwelling therein, it is necessary to transmit to them some subsidiary coinage, in order to assist the artisans and day labourers, who have been until this time paid for their work only in sugars and tobaccos, which they are obliged to send to France to obtain value for them, and the commodities necessary for their subsistence, in which they can receive no relief except from year to year. On the other hand all foreigners who dwell in the neighbouring Islands have enjoyed the use of various coins which they employ in their business, which attracts the greater

in the spring of 1670, Talon coming out that summer. Apart from his services as Intendant of Canada, Bouteroue was a rather notable personage. He was born at Paris, and in 1654 was appointed a councillor of the court or bureau of coinage. He was the author of an important work on the history of French currency—*Recherches curieuses des Monnoies de France*. Only the first volume of this was printed, under date of 1666. Materials for five other volumes were prepared and ultimately passed into the possession of Fr. Le Blanc, (see note 1, p. 31) who found them of much service in his work *Traité Historique des Monnoies de France*. In his instructions to Bouteroue, Colbert observed, "with reference to money it will not be necessary to make any considerable change in a country so undeveloped as it. It is necessary to take strict precautions, however, that the evil, in case there may be some, should not increase but should be diminished gradually." (See *Lettres, etc., de Colbert*, Vol. III, p. 405). Doubtless the evil referred to is the over-rating of the coinage.

⁴ [P. 23.]

part of these artisans and workmen to those Islands, by which our subjects suffer much prejudice, in that they lack workmen to cultivate the sugar and tobacco, and do other necessary work. And as our primary design of establishing religion in these Islands and the Continent of America cannot have the effect which we look for if our subjects are not attracted and held there by commerce and the means of maintaining themselves there; we have resolved to have struck in the Mint of our good city of Paris a new species of silver and copper coins, up to the value of 100,000 livres, of the same weights, denominations, remedy and value as those which circulate in our Kingdom, and to remit our rights of seigniorage, lightness and excess of alloy in the remedy of the ordinance, in consideration of the advance which the Company will make of the metals, and of the risk and expense of transmitting these coins into the said countries.

For these causes and for other considerations moving us to this, and with the advice of our Council, and of our certain knowledge, full power and royal authority, we have declared and ordained, and do hereby declare, ordain, will, and it is our pleasure by these presents signed by our hand, that without loss of time they shall proceed at the Mint in this our city of Paris to the striking of the coins hereafter mentioned up to the amount of 100,000 livres to be circulated in the said Islands and continent of America and other places within the territories conceded to the said Company of the West Indies alone; that is to say, to the amount of thirty thousand livres in pieces of 15 sols, and of fifty thousand livres in pieces of 5 sols, of the same weight, denomination, remedy, and value as those which circulate in our Kingdom, and to the amount of twenty thousand livres, doubles of pure refined copper of the same form and remedy as those which circulate in our Kingdom for two deniers. All which coins shall be struck in the mill and coining press and dies, to wit, those of fifteen and five sols, similar to our pieces of fifteen and five sols, with these words on the border of one side, *Ludovicus decimus quartus Franciæ et Navarræ rex*, and on the border of the other side *Gloriam regni tui dicent*; and the said copper doubles on one side with an *L* surmounted by the same words *Ludovicus decimus quartus Franciæ et Navarræ rex*, and on the reverse these words, *Double de l'Amerique française*, and a similar legend; and for this purpose the dies, forms and matrixes necessary thereto to be made without delay by the chief engraver at moderate emoluments, in order to put the said coins in circulation in the said countries at the prices previously fixed, and to be sent there by the said Company and received in business by the inhabitants. But they are not to be exported, nor are our other subjects to receive them or give them circulation in France, on pain of confiscation of the said coins and of exemplary punishment. And in consideration of the advance which the said Company will make of the metals, and of the risks and expense of sending the said coins into those countries, we have remitted and by these presents do remit in their favour our rights of seigniorage, lightness and excess of alloy with remedy of the ordinance.

We hereby command our loving and faithful councillors, the officers exercising authority in the Mint, that they require these presents to be read, published and registered and the terms of the same to be executed, to keep and observe them according to their form and tenor, and to deliver the said coins to the Director General of the said Company of the West Indies up to the amount of the said sum of one hundred thousand livres only; and immediately after the work has been done, to deface the said dies, forms and

matrixes, which shall have been employed in this operation, any opposition or impediment to the contrary notwithstanding, of which, should any intervene, we reserve to ourselves and to our council the cognizance of them, and interdict it to our other courts and judges.

Copies of this document shall be accepted as originals, which have been collated with these presents by one of our loving and faithful secretarial councillors. For such is our pleasure. Given at St Germain en Laye, the 19th day of February, in the year of grace 1670, and the 27th of our reign.
Signed LOUIS and lower down, By the King, COLBERT.

Sealed with yellow wax on a double cord.

II

Decree of the King's Council of State, respecting the Special Money for the Islands and Continent of America, March 24, 1670.

The King, having by his Declaration of February 19, 1670,¹ ordered the coining in the Paris Mint of silver and copper pieces up to the value of one hundred thousand livres, to circulate in the Islands and on the Continent under his sovereignty in America, in order to facilitate the commerce of the said countries for all his subjects, and the Directors General of the Company of the West Indies having represented to His Majesty that the execution of the said Declaration would suffer a serious delay, which would be very prejudicial to the commerce of the said Islands and to the prosperity of the Colonies, if there were no remedy for the difficulty there is of finding bar silver and refined copper for the production of the said coins, and if the work were confined to the Paris Mint; and having heard the report of M. Colbert, Councillor of the King in his councils and in the Royal Council, controller general of the finances, and the whole having been considered,

The King, being in his Council, has ordered and hereby orders that his Declaration of the said 19th day of February, 1670, shall be executed according to its form and tenor; and desiring to facilitate and forward the production of the coins herein mentioned, to circulate in the Islands and Continent of America, which are under his sovereignty, His Majesty permits to have melted in his Mint at Paris, French *louis d'argent* of the value of three livres and under, and in the Mint at Nantes, French *Tournois doubles* of copper, to furnish the substance and strike the said coins in conformity to the said Declaration, to this end enjoining the Court of Moneys and all other judges to give their attention to the execution of the present decree, which His Majesty desires to be executed according to its form and tenor, notwithstanding any opposition or appeal whatsoever, the cognizance of which, if any persons interpose, he reserves to himself and his Council, interdicting and forbidding the same to all other judges.²

¹ See p. 25.

² Notwithstanding the provisions made in this and the foregoing document, and although these coins were put into circulation in the West Indies, yet few if any were introduced into Canada. This is indicated also in the documents that follow. The merchants discouraged the circulation of such coinage on the very ground of its not being returnable to France, to pay for the supplies which they imported, and the local payment for which would be largely received in this money. The merchants of Canada, unlike the planters of the West Indies, were not carrying on a manufacturing, or even an agricultural industry. They were almost exclusively employed in trade. The greater

III

In order to facilitate trade in Canada, the King had Louis of 15 sols, of 5 sols and doubles of pure copper coined to the amount of 100,000 livres. These coins were of the same currency, weight and standard as those of France. Upon the silver louis of 15 sols and of 5 sols, in place of the *Sit nomen Domini benedictum*, they had *Gloriam regni tui dicent* and upon the doubles *Doubles de l'Amerique Françoise*.¹

GOODS PREFERRED TO SPECIE²

TALON TO COLBERT, 10 NOVEMBER, 1670.

*Extracts from the Memoir addressed by M. Talon to Monseigneur Colbert.*³

.....

On this head I must observe that if all the money which the King orders for Canada were transported hither, and made use of in specie, this country would not only not be accommodated, but expenses would be double. The practice of turning the King's money into commodities suitable for nourishment or clothing, for providing furniture for the establishments of soldiers and young women who marry, and of new families who come here, is not agreeable to the merchants, who would like every thing to be got from themselves, good or bad, and at so high a rate that it would require double the expense, were people reduced to what they wish.

.....

When I was in France the King did me the honor to say to me that he wished a coinage to be struck here suitable for the country and which should remain here in circulation, and you inform me such would be your

part of the goods they sold coming from abroad, the only forms of remittance open to them were furs, or the bills of exchange drawn against them, and coined money disbursed chiefly on the King's account. Hence their attitude.

Although the planters and others in the West Indies welcomed this coinage, yet the West Indies Company did not altogether relish the clause requiring them to take these coins in the payments to be made to them. They therefore sought and secured an exemption from this condition. See the letter to the Council of State, 18th November, 1672, p. 37. See also the letter of the Intendant of Martinique to Colbert. (*Lettres, etc. de Colbert*, Vol. VII, p. 425.)

¹ Le Blanc gives no date for this, but it evidently refers to the Order in Council given above. François Le Blanc came from Dauphiny and devoted his life to the study of numismatics. He was the author of the *Traité Historique des Monnoyes de France*, first published in 1690, with a second and enlarged edition at Amsterdam, in 1692. This work deals only with the money of the Kings of France. A sequel to it, which remained in manuscript, dealt with the local coinages in the larger feudal dependencies of the kingdom. In his work he had the advantage of the previous labours of Sr. Bouteroue in the same field. (See note 3, p. 23.) He died at Versailles, 1698.

² New York Documents; Vol. 3, p. 68. Revised Translation.

³ This is a long and important memoir touching on almost every matter relating to colonial welfare. The first extract follows a suggestion for the sending of supplies of implements, provisions, etc. for the employment of immigrants to be sent out. The second extract has reference to the plan embodied in the foregoing Orders relating to the issue of a special coinage for the colonies.

sentiment. When you will please to issue the necessary orders, that work shall be prosecuted. It will be of the highest utility to the Colony.

.....
TALON.

Done at Quebec this 10th day of November, 1670.

ADVISABILITY OF SENDING GOODS TO CANADA INSTEAD OF MONEY

To M. TALON¹

INTENDANT OF CANADA

11 February, 1671.

.....
You are right in saying that the expenditure would increase considerably if the King were to send in coin the funds that he is appropriating for the maintenance and increase of the colony, and whatever discontent the merchants express about the provisions, implements and other things into which the said funds are converted, it is very important to continue to send stores and always to keep the money within the kingdom.

.....
Before the King can make any decision on striking a coinage to be introduced into Canada, it is necessary to know the standard, the weight and the circulation it might have in that country, after which His Majesty will make you acquainted with his purposes on this subject.

.....
[Not signed.]

(Archives of the Marine, King's Orders for the Indies Companies, 1671, fol. 22).

PROPOSAL FOR A CANADIAN CURRENCY

Letters written to the King and to M. Colbert by M. Talon, Intendant in Canada, forwarded to M. de Bonrepas, Envoy Extraordinary of the King, at London.

MEMORANDUM ON CANADA

To the KING

.....
As the merchants do not at present find much profit in the sales of furs, the current price of which in France is not very favourable, they are diligently seeking money and shipping it out of this country, so that there remains little for the ordinary business done between the inhabitants. This leads me to propose introducing a currency here which by its stamp would be peculiar

¹ From the Minister, Colbert.

to this country, not good elsewhere, of the denomination of the silver écu but less in weight by 10 sols with the smaller pieces in proportion down to the 5 sol piece. A sum of 60,000 livres, including 2,000 livres in liards, distributed through this country would do all its business. His Majesty knows much better than any other what can be done in this matter.

.....

[Not signed.]

Done at Quebec 3rd November, 1671.

M. COLBERT TO M. TALON¹

St. Germain, 4th June, 1672.

.....

His Majesty will take into special consideration the proposal to have a special coinage struck for Canada; and if he deem it good and advantageous for the said country will issue his orders to have it minted and sent out next year.

.....

*Memorandum from S^r Patoulet requested by my Lord, 1672*²

.....

A species of money for circulating in New France only is very necessary for the convenience of commerce in that country. An idea has occurred to M. Patoulet which he ventures to communicate to My Lord. Should it be approved, it will cost the King nothing to give to Canada the assistance it requires. The West Indies Company has to pay annually for the liquidation of the indispensable expenses of the country, the sum of 36,000 livres. The Company might with profit to itself, furnish this sum each year to some person designated by the King, and His Majesty might give his orders that it might be minted to a like amount, but stamped with a different design from that of France, and then circulated in Canada. The necessity for such a currency has suggested this proposal.

.....

PATOULET.

Done at Paris, 25th January, 1672.

¹ Translation revised from New York Documents, Vol. 9, p. 89.

² M. Patoulet went out in 1669 as Secretary to Talon during his second term as Intendant of Canada. He acted for Talon until his arrival in 1670, and in the interval sent home a detailed report on the Colonies, November 11th 1669. He was Controller of the Marine at Rochefort in 1676, and afterwards at Brest in 1681. His plan was not practicable for Canada (see note 2, p. 29); note also the results from sending such special copper coins in 1722 (note 5, p. 521).

SILVER COINS IN THE COLONIES

Decree of the Council of State respecting the circulation of silver coins in the French Islands and Continent of America, November 18, 1672.

THE KING having by the decree of his Council, dated February 19, 1670,¹ permitted the Directors of the Company of the West Indies to circulate in the French Islands of America up to the sum of one hundred thousand livres, small coins bearing a particular device, which have been introduced and are in circulation in the said Islands, in consequence of the decree of the Sovereign Council of Martinique dated January 26, 1671, on the conditions set forth by the latter, and the articles decided upon in consequence; and His Majesty being informed of the advantages which the inhabitants of the said country gain by the accommodation afforded by the said money, He has resolved, not only that its circulation shall be continued, but that the coins which are current in France shall also be current in the said country, the value of the latter being augmented in order that it may remain there, and thus be the means of reducing all payments for provisions, merchandise and other things, which are made in coins of standard silver, for the accommodation of commerce and the progress of the colonies.

HIS MAJESTY IN HIS COUNCIL has ordered and hereby orders that the money bearing the said device and all other coin current in France shall circulate in the French Islands and the Continent of America² under the dominion of His Majesty; that is to say, the piece of 15 sols for 20 sols, that of 5 sols for 6 sols 8 deniers, the sol of 15 deniers for 20 deniers, and so on with the other coins in proportion, notwithstanding and without regard to the prohibitions set forth by the articles and decree of the Sovereign Council of Martinique, dated January 26, 1671. And in so doing has relieved and hereby relieves the said Company from the obligation of retaking the said money and from the other clauses set forth by the said articles, We Order that in future, commencing from the day of the publication of the present decree, all contracts, notes, accounts, purchases and payments shall be made between all classes of persons on the basis of money in livres, sols and deniers, as is the case in France, and that it be no longer permitted to make exchanges or accounts in sugars or other commodities, on pain of the nullification of the proceedings which have been begun, and of the bills drawn, and of an arbitrary fine against each of the offenders. And as regards the past, His Majesty wills that all stipulations in contracts, notes, debts, rents, leases and all other business arrangements whatsoever, made on the basis of sugar or other commodities, shall be converted and made payable in money, according to the current value of the moneys in the said Islands, on the basis of the valuation of the sugars fixed by the said decree of the Sovereign Council of Martinique of January 26, 1672, and of the other commodities in proportion. His Majesty enjoins the officers of the Sovereign Council established therein, and other officers and judges, that it will be their duty to give attention to the

¹ See p. 25.

² This Decree being made applicable to the French possessions, not only in the West Indian Islands, but the Continent of America as well, would naturally apply to Canada. However, the local ordinances dealt with and the conditions referred to virtually confined its application to the West Indies. It is, nevertheless, an interesting indication of colonial policy on the subject. The principle, if not the letter of it, throws light on the treatment of currency problems in Canada.

execution of the present decree, and the duty of the inhabitants of the said countries and of all merchants and traders to receive the said money in commerce on the basis set forth in this decree, which will be published and posted up in the said Islands and wherever else it may be necessary.

MOOSE SKINS AS CURRENCY

Order of the Superior Council of Quebec which decrees that Moose skins shall be current at the ordinary value and which forbids every one to refuse them in payment of debts; the 27 September, 1674.

The Council met, His Lordship the Governor, presiding; also present Messrs de Tilly, Damours, Dupont, de Peiras, de Vitré and the deputy-attorney-general; Messrs Dauteuil and de Villeray called as additional associate judges.

On the complaint of M. Chartier,¹ lieutenant-general in this city, that there come before him difficulties between parties concerning the nature of payments, that even the merchants refuse to part with their goods for payment in moose skins and that indeed one finds persons who having engaged in writing to pay their debts in coined money, claim by virtue of a ruling of the council, not to be bound to this but that they ought to be suffered to make payment in beaver and moose skins alone, there being very little coined money in this country; to which he desired that the Council should give attention so that he might have definite rules to which he could adhere in order to end the said disputes.

Having considered the request of M. Nolan, of this day, to the end that it may be decreed that those to whom offer of payment is made in moose-skins shall be constrained to accept them at the ordinary value; and having heard upon this the argument of the deputy-attorney-general;

The Council ordained and hereby ordains that moose skins shall be current at the ordinary value, with prohibition to every one to refuse them. And in order that no one may be ignorant of it, the present ordinance shall

¹ Louis Chartier de Lotbinière, Sr., was nominated, on the 1st May 1666, by the Company of the West Indies, in virtue of the seignorial rights conferred by its charter, to the judicial position of Lieutenant, civil and criminal, of the district of Quebec. After some discussion the nomination was finally accepted and he was officially appointed to the position on January 10, 1667. All causes of a civil and criminal nature arising in the district of Quebec, were to be judged by him in the first instance, with appeal to the Council, and ultimately, in certain cases, to the King's Council in France. He had also the right of revision of all minor causes which had been tried in the first instance in the local seignorial courts. When de Mézy had dismissed some of the members and officials of the Council, in his quarrel with the bishop, shortly after the establishment of the Sovereign Council in 1663, he appointed Chartier attorney general. The restoration of the suspended parties deprived him of this office. However, from 1670 to 1674, while the office of attorney general was vacant, Chartier was appointed to act in that capacity. In 1674 he was appointed a member of the Council, and in the following year was made a life member, being then fifth in rank. In 1674 he was also named Lieutenant General of Quebec, the formal appointment being dated 13th May, 1675. In 1677 he transferred his appointment to his son (see note 1, p. 87). On the 4th February 1667, during the period of the carnival, he gave the first ball held in Quebec, an event which excited the alarm of the bishop and some of the clergy and led to much discussion in the colony.

be posted up in the customary places, decision being reserved on the rest of the said complaints.

[Signed] FRONTENAC.¹

DEMAND FOR PAYMENT IN COIN

Tuesday, October 6, 1676.

The Court being in session.....

Between the said Cailhou, plaintiff, present, on the one part; and Jean Gauthier Delarrouche, defendant, summoned on the other part, represented by his wife; after it had been requested by the plaintiff that the defendant be ordered to pay him the sum of sixty five livres in coin for the sale and delivery of a cask of wine, according to their agreement, with costs; and it had been declared by the said defendant appearing as aforesaid that he has offered to pay by a note on M. Bazire,² and in moose skins, not having promised to pay him in coin, and the plaintiff offers to furnish proof to the contrary, the parties having been heard, THE COURT ordered that the said plaintiff furnish proof that the defendant had promised to pay him in coin.

DUCHESNEAU.³

¹ Louis de Buade, Comte de Palluau et Frontenac, was the most noted of the Canadian Governors under French rule. His first term as governor extended from September 1672 to September 1682, and the second term from October 1689 to November 1698. His aggressive personality, while valuable for the colony in many respects, led to much friction, especially during his first term, with Bishop Laval, the Intendant Duchesneau, and such members of the Council and other officials as sided with these. These disputes are indicated in some of the documents which follow. The details of his career are available in many forms.

² Chas. Bazire was a prominent merchant of Quebec and a partner of M. Aubert de la Chesnaye in the *ferme* of the revenue of Canada. The reference to a note of his which may be offered in payment by one citizen to another, reveals, at this early stage, a practice afterwards very common in Canada. Notes or due bills were issued by the merchants and served as a kind of currency in making payments, as here indicated. (See note 2, p. 61). He was agent of the Company of the West Indies during the time of Talon and Frontenac. In a letter from Frontenac to Colbert 2nd November 1672, he deprecates compliance with his demand on behalf of the Company that its agents should be permitted to search the stores of the merchants for furs. (*Série C^{II} I. Vol 3*).

³ Jacques Duchesneau was Intendant of New France from September 1675 to May 1682. His commission is dated the 30th May 1675, and he was ordered to return to France on 9th May 1682. He was formerly a Councillor of the King and Treasurer of the King at Touraine. On account of his excellent services in this capacity he was selected to succeed Talon after his second term in Canada. He found it impossible to work harmoniously with Frontenac. This was chiefly because Louis XIV and his ministers were, apparently, partly unable and partly unwilling to define with sufficient precision the relative spheres of authority of the Governor and Intendant. The same condition resulted in difficulties between several Governors and Intendants. The mutual recriminations of Frontenac and Duchesneau fill scores of lengthy documents and threatened to paralyze the executive government of New France. In consequence both were recalled in 1682.

REFUSAL TO SEND MONEY TO CANADA

PARIS, 28 April, 1677.

TO M. DUCHESNEAU,
INTENDANT OF CANADA.

.....
 What you propose concerning the currency and sending a sum of 30,000 écus to Canada is not practicable. It is necessary that trade, work and the industry of the population shall attract money into the country; and that should not be difficult, seeing that you yourself admit that Canada is as fertile as France, and that besides being able to produce all that France can produce, it has also the fisheries.

[Not signed.]

(Archives of the Marine, King's Orders for the Indies Companies, 1677, fol. 7.)

REGULATIONS FOR THE CIRCULATION OF PIECES OF FOUR AND TWO SOLS

7 March, 1679.—*Order of the Council enacting regulations for the circulation of pieces of four sols and of sols marqués and the number of these pieces to be offered in payment.*

“The King, having had read in Council his Declaration of 8 April, 1674,¹ which was registered in the mint the 12 September following, by which His Majesty ordered the coining of pieces of 2 and 4 sols, together with the Order of 24 November of the same year, by which His Majesty regulated the number of the said coins which could be tendered and received in each payment:²

And whereas the chief object of the said coining was to diffuse through the provinces of the Kingdom small coins for the public convenience and the accommodation of the ordinary trade in small supplies of daily consumption.

¹ Lettres, etc., de Colbert, Vol. 7, p. 428.

² The Imperial orders above referred to, notwithstanding the benevolent declaration in the following paragraphs, were issued under stress of the war in Holland and the consequent embarrassment of the King's Treasury. These coins were considerably over-rated and the contractors, as indicated, having a share in the profits, greatly augmented the issue. The results were very unfortunate for the national currency, having the effect of driving from the country the higher grade coins previously in circulation. Strenuous efforts were then made to repair the injury and the present Order of the Council was among them. The subsequent wars, however, rendered effective remedy very difficult. Hence the finances of the kingdom gradually drifted into a most deplorable condition before the close of the reign of Louis XIV, in 1715. As to the immediate effects of the issue of the four and two sol pieces, see *Lettres, etc., de Colbert*, Vol. VII, p. lxxxvi.

These coins being so greatly over-rated were naturally sent to Canada in preference to all others, soon constituting almost the only silver currency to be found in the colony. In time, however, even these were displaced by the still more depreciated card money.

His Majesty has been informed that this coinage has not at all had the effect that was intended, but that the profit which was shared with the contractors for the said coinage, in facilitating its issue, has induced the clerks and cashiers of the banks and merchants, even those in some of the receiving offices for His Majesty's revenue, to introduce into the payments a much larger quantity of them than that authorized by the said order of 24 November 1674, so that these coins remain in the chief receiving-offices instead of their being diffused among the public and in all the provinces of the Kingdom.

And whereas His Majesty has been informed at the same time that the same abuse has been introduced in the case of the sols, which are tendered in bags to considerable amounts in large payments.

It being necessary to attend to this:—

Having heard the report of M. Colbert, and all things being duly considered His Majesty orders that, commencing from the day of publication of the present order, the tendering of 4 sol pieces and *sols marqués* in all payments shall be regulated as follows, to wit:

Payments of ten livres shall be allowed to be made in full in the said pieces of 4 sols and sols; those from 10 livres to 500 livres, one quarter in 4 sol pieces and one tenth in sols: from 500 livres to 6,000 livres, one twentieth in 4 sol pieces and one thirtieth in sols; and from 6,000 livres and up, to whatever sum the payments may amount to, one fortieth in 4 sol pieces and one sixtieth in sols.

29 April, 1679.—Order in Council declaring that commencing from the 1st May, pieces of 4 sols shall stand reduced to 3 sols 6 deniers and sols marqués to 12 deniers.

16 May, 1679:—Order in Council enacting that pieces of 3 sols 6 deniers shall be received in payment, as follows:—payments of ten livres and below, in full: those from 10 to 500 livres, in half: from 500 to 3,000 livres, for one sixth: from 3,000 to 10,000 livres for one tenth; above 10,000 livres for one twentieth.

Name of place omitted, July 18, 1679.

Ordinance of M. Duchesneau decreeing that, as to the refusal of various persons to take four sol pieces and sols marqués at the usual value, and according to their currency in this country, the said coins shall be current at their customary value until it is known by the first vessels what is the pleasure of His Majesty on this subject.

JACQUES DUCHESNEAU &c, On representations made to us by several inhabitants, that, for the past eight or ten days, some persons have refused to take four sol pieces and sols marqués at the ordinary value, in accordance with the currency they have had in this country, on the ground that they were reduced in value in France, which would result in great loss to them, the more

so that, if it were true that these said coins were reduced, they are not usually reduced all at once. His Majesty is accustomed in his declarations concerning the regulation of the coinage, to grant a certain period on the expiration of which He prohibits the receiving and passing of the said coins, under such penalties as he deems proper. It would seem just, then, in order to conform to the practice of the Kingdom, in case information is received by the first vessels of the reduction of the said coins, to grant a reasonable time after which it would be forbidden to circulate them at a higher rate than that fixed by His Majesty. For this it is necessary to make provision.

We, therefore, seeing that no orders have been sent to us on this subject, order that the coins having currency in this country shall pass at the usual and accustomed rate, until we shall have information, by the last vessels, of the pleasure of His Majesty on the subject of the said coins, and we forbid any person to refuse them, on pain of 20^{ll} fine, excepting always the dues of His Majesty, which will not be paid until after the arrival of the said last vessels, and on the condition that in the payment of sums exceeding 50^{ll}, the said coins cannot be tendered for more than a tenth part of the principal sum, as is the practice in the Kingdom. And our present ordinance shall be read, published and posted up wherever it is necessary, so that no person may plead ignorance of it. We order, &c.

Signed: DUCHESNEAU.

Thursday 28th of the same month and year [November 1680]

The Council met.

ON THE REPORT made to the Council by the Intendant on the 25th of this month, respecting two ordinances issued by him, on July 18, 1679,¹ and on the 8th of this month of November, and having considered the request presented to him respecting sols marqués, and a report made by him on the 8th of this present month, attached to which is his ordinance of the same day to the effect that he would refer the matter to the Council since he had learned that the said Council had already taken cognizance of the subject, it was resolved to refer the whole to the Attorney General. It was had in mind that none of the merchants either of this country or from abroad, or the agent of those concerned in the trade, lease and commerce of the country were notified to meet together in order to be heard or to come that day. Having considered the conclusions of the Attorney General,² by which he recommends that the sols marqués shall, from today, pass for 16 deniers only, and that the four sol pieces shall be diminished in value in proportion to the reduction they have undergone in France, and that the decree to be issued shall be read published and posted up, as well in the customary places in this town, as in Three Rivers and Montreal, together with the decree of the Council of the 10th January 1667,³ issued in a similar case. And it having been considered whether they should or should not invite the said inhabitants and merchants, and the agents of the parties interested, none of them having been summoned by the Council at the time of the issue of the decree of the

¹ See p. 45.

² M. d'Auteuil the younger, who, although a mere youth of twenty-two at this time, had acted as deputy to his father from April, 1667. (See Note 1, p. 11.)

³ Reducing the *sols marqués*. See p. 17.

said 10th January 1667, opinions were equally divided, and, considering the nature of the matters in question, it was determined that the subject should be considered anew at an early date.

DUCHESNEAU.

Monday, December 2, 1680.

The Council met.....
 ON A REPRESENTATION to the Council, that it is important for the service
Value of currency of the King and the welfare of the country, to regulate the
in this country. value for which four sol pieces and sols marqués should be
 received, having taken the advice of the attorney general,
 and the matter having again been under consideration, it is ordered that
 hereafter four sol pieces and sols marqués, as well as all other species of coin
 shall pass current in the colony only on the same footing as the louis d'or
 and louis d'argent, on the basis of one third advance, as has been the practice
 for several years.¹ And that no person may be unaware of it, the present decree
 shall be read, published and posted up, as well in this town as in those of
 Three Rivers and Montreal, under the supervision of the said attorney gen-
 eral, who will advise the Court thereof as soon as possible.

DUCHESNEAU.

LOSS ON EXCHANGE

Versailles, 3 May, 1681.

TO S^r DE LUBERT²

.....
 I have received complaints from several individuals in Canada of the
 loss that they have sustained on the money you remitted to them last year,
 because of the different values of coins in that country and in France. You
 will therefore take care, in future, to remit in money of France the sums
 that you may be ordered to send there.

[Not signed.]

¹ See note 1, p. 7.

² Although not signed, the instruction was evidently from Colbert, and was addressed to Sr. Louis de Lubert, one of the Treasurers General of the Department of Marine from somewhat before this date until 1699. All matters pertaining to the remittance of money, the drawing and accepting of bills of exchange, and the general finances of the colony, so far as the government was concerned, were dealt with by the Treasurers General of the Department of Marine, that department having in charge the general administration of the colonies. The Treasurer General had a deputy or agent at Quebec through whom the administration of the finances in the colony was conducted.

VALUATION OF FOREIGN COINS BY WEIGHT¹

Decree of the Superior Council ordering that the reals or dollars and all foreign coins, whether gold or silver, shall be taken according to their value by weight, with an advance of one third, according to the custom of the country. Wednesday, September 17, 1681.

The Council being assembled in extraordinary session, at which were present the Intendant, Maitres Louis Rouer de Villeray, first councillor, Charles Le Gardeur de Tilly, Nicolas Dupont de Neuville, Jean Baptiste de Peiras, Charles Denys de Vitré, Claude de Bermen de la Martinière, councillors, and François Magdelaine Ruelle Dauteuil, attorney general.

CONSIDERED by the Council the representation made by the attorney general of the king that he had been advised that there had been brought into this country a quantity of foreign coins, such as reals, dollars and others of all kinds, which are for the most part light, which is the occasion of a very great loss to those who are obliged to receive them; for which reason the merchants refuse them, and thus commerce is entirely interrupted, upon which the maintenance or the ruin of the country absolutely depends, which obliged this council on the 2nd day of the month of December last² to issue a decree for the regulation of the said moneys in this country, providing that pieces of four sols, sols marqués and every other kind of money should have currency in this country only on the same footing as the louis d'or and louis d'argent, at an advance of one third, for which reason he requested that, as required by the said decree, and until the attendance should be complete, considering the urgent need that the reals and dollars, and indeed all foreign money, whether of gold or silver, should be accepted by weight, according to their value, with the advance of one third in accordance with the custom of the country, and that the said reals or piastres of the full weight of 21 deniers should be accepted in this country for 3 livres 19 sols and 1 denier, and that those of light weight should be diminished in proportion to their lack of weight on the basis of 11 sols a dram, and that all persons should be prohibited from refusing them on this condition, under such penalty as is reasonable, and that the decree to be passed shall be read, published and posted up in this town and in those of Three Rivers and Montreal.

After this representation the Intendant stated that the agent of those interested in the King's posts in this country had presented to him a petition on the 11th of the present month on the subject of the said reals and dollars, on which he had ordered, the Council being on vacation, and part of those composing it being unable to attend at the time, that, before announcing a decision, twelve of the inhabitants of this country should be summoned to appear before him to be heard with respect to the matter; in consequence of which he had made his official report of the meeting of the said inhabitants next

¹ The coins referred to in this decree were brought in probably from the West Indies, owing to the direct trade which, under the encouragement of the Intendant Talon, was beginning to be opened up with the French Islands. Chiefly, however, they came in through the illicit trade in beaver and other peltries conducted between the neighbourhood of Montreal and the British establishments on the upper waters of the Hudson and centering at Albany. (See decree of Council of 13th January, 1683, p. 55.) It may be observed that the rating of the full dollar or *réal* was now somewhat higher than in the first scale adopted in 1662 (See p. 7).

² See above p. 49.

day, the twelfth of this said month; and to accelerate the matter, by reason of its importance, had communicated to the attorney general all the papers which he had brought to the office; the matter having been deliberated upon, and all considered;

The Council, in conformity with the decree of December 2 last, has ordered and hereby orders, that the reals and dollars, and indeed every species of foreign money, whether of gold or silver, shall be taken by weight, according to its value, with an advance of one third, in accordance with the practice in this country, and, in so doing, that the said reals of the full weight of 21 deniers 8 grains shall be accepted in this country for 3 livres 19 sols 1 denier, and that those which are light shall be reduced in value in proportion to their lack of weight, on the basis of 11 sols a dram;

All persons being prohibited from refusing them in payment on this condition, under appropriate penalties, which shall, at the instance of the attorney general, be read published and posted up, in this town, as well as in those of Three Rivers and Montreal, so that no person may plead ignorance of it.

[Signed] DUCHESNEAU.

ENFORCEMENT OF THE CIRCULATION OF DOLLARS

Monday, December 15, 1681.

The Council met.....

ON A REPRESENTATION to the Council that several individuals complain that persons had refused to take dollars, conformably to the decrees of Council of September 17,¹ and of the first of the present month, it is ordered that the attorney general shall cause to be republished and posted in the usual places the said decree of September 17, last, as also the present order, so that no person may be unaware of it.

DUCHESNEAU.

WHEAT, ETC., TO BE LEGAL TENDER FOR PURCHASE OF FIRE ARMS

Without address, 24th October, 1682.

Ordinance of Messrs. Lefebvre de la Barre and de Meulles, enjoining the possession of fire-arms upon the inhabitants.

The King desiring, for reasons important to his service and for the maintenance and increase of this colony that all the inhabitants of this country, able-bodied and capable of bearing arms, be sufficiently provided therewith, we hereby order all the inhabitants of this Government who have not furnished muskets and fire-arms in their dwellings for all those who are therein capable of bearing arms, to provide themselves with them in the course of this winter, under penalty of fine in the spring if they be found lacking them. And in order to give them means of buying them, we order

¹ See p. 51.

S^r Aubert de la Chesnaye, merchant, of Quebec, to sell them to them and to take payment in French wheat and Indian corn and good merchantable peas at the rate of 50 sols a minot for French wheat and the others in proportion and salt pork at the customary prices: And S^r Le Bon, merchant at Montreal to do the same thing. Done etc.....

[Signed] LEFEBVRE DE LA BARRE¹ and DE MEULLES². And lower down: By My Lords.

[Signed] REGNAULT.

DOLLARS TO BE STAMPED ACCORDING TO WEIGHT

I

Decree of the Superior Council of Quebec determining that the dollars which are of full weight shall be marked with a fleur de lis, and those which are not of full weight shall be rated only according to the figures imprinted upon them; January 13, 1683.

The Council having assembled, at which were present the Governor, the Intendant, Maître Louis Rouer de Villeray, first councillor, Charles Le Gardeur de Tilly, Mathieu Damours Deschaufour, Jean Baptiste de Peiras, Charles Denys de Vitré, Claude de Bermen de la Martinière, councillors, and François Magdelaine Ruette Dautueil, attorney general.

¹ Antoine Lefevre de La Barre succeeded Frontenac as Governor, in October 1682. The royal instructions were ordered to be sent to him on May 10th of that year. He was then quite an elderly man who had seen much active service in various spheres. He was born about the beginning of the 17th century and died 4th May 1688. Among the positions of more or less distinction which he had held may be mentioned those of Councillor of Parliament, Minister of Requests, Intendant, in succession, of Bourbonnais, L'Auvergne, and Paris. He then turned for a time to the marine service, becoming captain of a vessel in 1663. He was appointed governor of la Guyane, and took Cayenne from the Dutch. In 1667 he was made Lieutenant Governor and sent to the Antilles, where he fought the English and compelled them to raise the blockade at St. Christophe. His next appointment was to Canada, and here he seems to have experienced his first failure. He remained as Governor until July 1685, when he was replaced, ostensibly on account of his great age, but really because the King was dissatisfied with his management of the affairs of the colony, which were in a critical condition owing to the attacks of the Iroquois. Whether due to his age or to his personal character, there was comparative peace between himself and the Intendant during his time. There were symptoms, however, of difficulties which threatened to enlarge and on which the Minister makes comment to the Intendant, and the King to the Governor, both being blamed for overstepping their respective authorities. The new Minister, de Seignelay, was required by the King to adjust the difficulties which tended to arise between the Governor and Intendant in Canada. As to the difficulties between the Intendant and the Bishop, the King himself undertook to bring the Bishop into a more accommodating mood.

² Jacques De Meulles succeeded Duchesneau as Intendant in October 1682, his appointment dating from 10th May, also the instructions. He remained until September 1686. He claimed to have submitted to encroachments on his power to avoid disputes with the Governor. His proposals, however, for the treatment of those who should side with the Governor in his protestation, indicate little docility of disposition. His methods of dealing with the finances of the provinces were criticized by the Minister, and include his new departure in the issue of card money. In 1685 he had orders to visit Acadia. The outcome of this mission was explained in letters to the King and the Minister of July 18th and 19th, 1686. (*Série C¹¹ I, Vol. 8.*)

HAVING CONSIDERED the petition presented to this Council on the 11th instant, by Joachim Châlons, agent of the shareholders in the joint stock company in this country,¹ setting forth that the said shareholders have in their instructions charged him in the strongest terms to prevent the conveyance of beaver into foreign countries, by reason of the distinct prejudice which it causes to the interests of the King's posts, he knew beyond question that this conveyance is made by the inhabitants of this country to the English or Dutch with the greater freedom that they are incited thereto by the facility given in this country to the circulation of the dollars with which the English or Dutch pay for the beaver brought to them, although His Majesty has forbidden their circulation in all the provinces of his Kingdom, even in the sea ports, which have commerce with foreign countries by means of the said dollars. It being necessary to provide for this, not only to remedy the said conveyance of beaver, which causes a very considerable damage to the said posts, but also to conform to the practice of the Kingdom respecting the circulation of the said dollars, he demands that the circulation of the said dollars be suppressed under such penalties as the court shall consider proper;

At the foot of which petition it was ordered, by decree of the said 11th day of the present month, that the said S^r Châlons should be notified to be present today to reply to such questions as should be put to him; and the said S^r Châlons having appeared, and being heard hereupon, stated that he had not the funds to furnish the equivalent weight of coined money of France, as might be brought to him in dollars, but that he could furnish merchandise for the value; the attorney general having been heard on the matter.

The Council has deferred, and hereby defers determining upon the said petition until the said shareholders are able to furnish coined money of France to retire the said dollars, on the basis of weight for weight, as is the practice in France in the King's mints;² and in view of the pressing necessity which exists to remedy the damage which the colony suffers, the said dollars being refused by the traders.

¹ In May 1664 was established the West India Company, with very extensive rights and privileges regarding Canada and the West Indies. Besides complete feudal rights over the lands of the country, they were granted a monopoly of the beaver trade, with the right to take one fourth of all the beaver and one tenth of the moose skins brought in. They enjoyed also the complete trade of the post at Tadousac, at the mouth of the Saguenay. In return they were supposed to meet the expenses of the civil government of the colonies. They soon found it impossible to carry out their agreement, and, in 1666, they leased their rights and privileges to Charles Aubert Sr. de la Chesnaye, already referred to (see note 1, p. 19). He held these rights under the Company until it was suppressed in 1674. The following year, 1675, Jean Oudiette a merchant of Paris, for himself and his associates offered to undertake the expenses of the Canadian administration, to the extent of 350,000 livres per annum, on condition of obtaining for seven years—afterwards extended to ten—the full trading privileges of Canada as granted to the West India Company, including the monopoly of the beaver trade in Canada and the sale of the beaver skins in France. He claimed also the tax of one fourth on beaver and one tenth on moose skins, and a tax of ten per cent on wine, brandy, and tobacco imported to Canada. He was granted these conditions, as also a monopoly of the trade of Tadousac. In order to secure his monopolies he stipulated for the right to visit all vessels entering or leaving Canadian ports, and the protection of the law against illicit trade by land with the English colonies. These terms were granted and confirmed by the King in Council. The joint stock company here referred to, is that of Oudiette.

² This condition very effectively disposes of the requirement of the Company. Incidentally it is a subtle indication of the popular attitude towards the Company's monopoly, on the one hand, and the free traders, on the other.

The said Council, for the time being and until it has pleased the King to make known his intentions, has ordered and hereby orders that the said dollars shall be current in this country, that is to say; whole dollars of full weight for 4 livres, halves, quarters and eighths in proportion; and in order to distinguish those which are of full weight from those which are not, and to know the value for which the court deems it proper that they shall pass, those which are of full weight stamped with a *fleur de lis* for 4 livres, and those which are light, whether whole dollars, halves, quarters or eighths, shall be stamped with a *fleur de lis*, accompanied by a Roman numeral I, II, III, IIII, which will be set below the *fleur de lis*, that is to say, the whole dollars which shall be worth from 4 livres to 3 livres 15 sols, with a *fleur de lis* and one of these figures, and have the value of only 3 livres 15 sols; those which weigh only from 3 livres 15 sols to 3 livres 10 sols shall be stamped with a *fleur de lis* and with two of these figures, and have the value of 3 livres 10 sols; those which weigh from 3 livres 10 sols to 3 livres 5 sols, shall be stamped with a *fleur de lis* and three of these figures, and have the value of 3 livres 5 sols, and those which weigh only 3 livres 5 sols to 3 livres shall be stamped with a *fleur de lis* and four of these figures, also below the said *fleur des lis*, and have the value of only 3 livres; and similarly with halves, quarters, and eighths of dollars, in proportion.

The said court intending that of the half dollars which are not of full weight, there will be some of 37 sols 6 deniers, 35 sols, 32 sols 6 deniers, and of thirty sols, which will also be stamped as above, and so of the quarters and eighths on the same basis; which is, that, of the quarters which are not of full weight, there will be some of 17 sols 6 deniers and of 15 sols only, and the eighths, of 7 sols 6 deniers only.

Which stamps will be impressed at the office of the clerk of this court every Tuesday, from 8 o'clock in the morning until 11; and if there should supervene some holiday ordered by the Church, it will be postponed until next morning, in the presence of one each of the councillors, beginning with the junior and rising in turn, commencing with *Maitre* Claude de Bermen de la Martinière, and in the presence of the attorney general who will have the said dollars weighed by the clerk, who will keep a register of the day on which he is occupied therewith and of the number and value of the dollars which shall have been marked, in the presence of the said councillors and of the attorney general, by John Soullard, who will make the dies, which will be placed at the end of each sitting in a box of which the attorney general will hold the key; For which stamps which are impressed, there will be paid by the owner of each dollar, half, quarter and eighth dollar, 6 deniers, which shall be divided equally between the said clerk and the said Soullard.

All persons being forbidden by the said council to offer dollars for circulation, except those which have been stamped as stated, or to refuse them as payment, on pain of an arbitrary fine; the court nevertheless leaving each individual at liberty to give and receive them by the mark.¹

¹ Meaning by weight. The mark was the standard of weight for bullion, being eight ounces Troy, or 3840 grains. The value of the coin was determined by the number coined from a mark of gold or silver. For further details as to French standards see note 1, p. 477.

And the present decree shall be read, published and posted up, as well in this town and Three Rivers, as in Montreal, so that no person may plead ignorance of it.

[Signed] DE MEULLES.

II

M. DE LA BARRE TO M. DE SEIGNELAY¹

MY LORD,

.....
 We experienced serious embarrassment in the month of January last in regard to dollars. They were here in some number, and a quantity of them being light caused considerable disorder among the lower classes, it not being customary in this country to weigh them. This induced us to assemble an extraordinary session of the Council, at which it was resolved, subject to His Majesty's pleasure, to have the dollars of weight marked with a *fleur de lis*, and those which were light with certain stamps in figures fixing their value. This was done and is now in operation without any noise or difficulty.

.....
 [Signed] LE FEBVRE DE LA BARRE.

Quebec, the 4th November, 1683.

III

MY LORD,

Currency

.....
 There have been great difficulties here, My Lord, concerning dollars, the greater part of which are light, which prevents their being put in circulation. Things have come to that extremity that people can no longer make payments in money. They are obliged to make them in notes on the merchants, who redeem them in merchandise at any rate that suits them, that is to say, a man who owed fifty ecus drew an order for this sum on a merchant in the town, who would say that he had no money and thus oblige one to take all sorts of goods, which were in no way suitable to the person to whom he was indebted.² To avoid this irregularity the Council has issued a decree, by

¹ Translation revised from New York Documents, Vol. 9, p. 210.

The Marquis de Seignelay, son of the great Minister, Jean Baptiste Colbert, succeeded, in September 1683, to part of his father's functions, as Secretary of State for maritime affairs, including the colonies and external trade. He continued in office until November, 1690, when he died. His administration of the Department of the Marine and Colonies is eulogized by his contemporaries; as, for instance, by the Comte de Forbin, writing at the time of his death. (See Petitot, Collection of Memoirs, Vol. 75. p. 4: also opinion of the Marquis de la Fare, *ibid.* Vol. 65. p. 242.)

² This early functioning of the merchant as the centre of an elementary exchange system, and his readiness to take advantage of his situation, led gradually to the reversing of the process without changing the function. Instead of the creditor drawing orders on a merchant, the merchant issued to his creditors promises to pay, which were still chiefly redeemable in goods rather than money. But they had the additional advantage of serving as a form of money, much of which remained in circulation instead of being immediately converted into goods. Thus was developed the system of *bons*, from the introductory words *bon pour* etc. This form of currency the British found in Canada when they arrived, and the British merchants and local traders employed it extensively, where the lack of a better currency at once permitted and encouraged it. The Intendant, De Meulles, doubtless obtained from these observations the suggestion for his first experiment in card money. (See p. 69.)

which it is ordered that all dollars should be weighed, and that their value should be determined by stamps to be impressed upon them. The first is the *fleur de lis*, which indicates that they are of full weight. On those which are worth five sols less is stamped a *fleur de lis* and the figure one; on those lighter by ten sols, a *fleur de lis* and the figure two; those which are under weight by fifteen or twenty sols, are marked in like manner with a three or a four. I proposed this expedient to the Council, which was finally approved after great opposition, the greater because the majority of the councillors who presented the opposition did so with the purpose of serving their relatives, who are the most considerable merchants in the town, most of the councillors being brothers-in-law, uncles, nephews, cousins german of all the greatest families in Canada, and of the wealthiest merchants in the country, or under obligation to them for considerable debts.

[Signed] DE MEULLES.

Quebec, the fourth of November, 1683.

REPRESENTATION ON THE REVENUE AND TRADE OF CANADA [1683]¹

The arrival of the said English in our settlements is a consequence of the embassy which was sent last spring by M. de la Barre in the person of S^r Salvaye² to the Governors of Manatte and Orange, with orders to adopt, with them, measures for the advantage of the Colony. Here the Governor's secret is not inquired into; but it is averred that the said Salvaye conveyed in this voyage more than eight hundred Beavers on the said Sieur de la Chesnaye's account, in return for which he brought back dollars and wampum.³ This is another disorder which cannot be remedied except by making the Minister thoroughly understand the importance of doing so.

¹ Translation revised from New York Documents, Vol. 9, p. 212. The writer of this is not indicated.

² The Sr. Salvaye appears to have been sent on two missions to the Governors of the colony of New York, at New York or Albany. His first is that referred to here, in 1682, and the second occurred in July, 1684, to Governor Dongan alone. The instructions for this last mission are given in *Série C*¹¹ I, Vol. 6, folio 268.

³ This affords a brief glimpse of one phase of the process by which the tax of one fourth on beaver was evaded and the circulation of dollars in the colony was increased. Charles Aubert Sr. de la Chesnaye, who figured so frequently in Canadian affairs of this period, (see note 1, p. 19) was supposed to be involved in such transactions. This same year the Intendant De Meulles reports him as having a store at Port Royal to which he transferred the beaver from Canada and from thence smuggled it to New England. (See *Collection de Manuscrits* vol. 1, p. 317.)

INTERFERENCE IN CANADIAN AFFAIRS

*De la Barre to Arnoul*¹

QUEBEC, 10 November, 1684.

SIR:

.....

You will have to see in future, if you please, that your Commissioners and others from your port, keep their nose out of the affairs of Canada, which accounts to the King for its expenditure, for these gentlemen, along with your Treasurer, have so muddled our affairs, by sending out goods and papers instead of money that the Intendant does not know how to provide for the expenses of the war this year. This would have been done without trouble, if the orders of the Court had been followed to the letter. I am always

Your most humble and most obedient Servant

LEFEBVRE DE LA BARE.

COMPLAINT AS TO MONEY SUPPLIES

QUEBEC, 12 November, 1684.

SIR:

.....

They have again sent us bills of exchange for 25,000 francs. You cannot imagine the embarrassment this has caused us; money being very scarce in this country. If I had pressed the merchants on whom they drew these bills, I should have lost everything and our troops would have had nothing on which to live. But in this juncture I did all I could not to press them and to content myself with what they were able to furnish me from time to time and with what they were able to provide for me in the more distant places where we had sent troops. It is indeed a great misfortune for this country that we did not receive the funds for the soldiers in ready money, since that would have conferred on the country a great boon. All the inhabitants would have had opportunity to have some share in it and it would have greatly benefitted business. Not one of the things you have taken the trouble to send us, which consist in stores such as guns and other things, can serve as ready money, since more than two years are necessary to sell all these things, especially the guns, which are intended for the inhabitants, whose dwelling-places are very widely separated from each other and thus time is necessary to enable them to receive them and still more to receive payment for them. We have no artisans here to make use of the lead which has come to us and consequently that is useless supply; when it is a question of subsisting the troops, one must

¹ M. Arnoul was at this time in charge of shipping at Rochefort, also of the procuring of supplies and equipment, and even of troops and the transport of these to Canada, chiefly from the ports of La Rochelle and Rochefort. In March 1685, the King criticized the character of the recruits he had raised and sent to Canada. A week later he was ordered to raise another body of one hundred and fifty recruits to be sent.

have one thing only—ready money—because they do not allow time for waiting.¹

[Signed] DE MEULLES.

M. Arnou.

PROHIBITION OF MONEY IN THE INDIAN TRADE

Ordinance of M. de Meulles which prohibits all persons from either carrying or making use of money or bills of exchange in trading.
5 March, 1685.

Jacques de Meulles, Seigneur of la Source, Knight Councillor of the King in His Councils, Grand Bailiff of Orleans, Intendant of Justice, Police and Finance in Canada and the Northern Territories of France.

Having learned that the greater part of those who go to trade with the Ottawas and other Indian nations, with licenses from the [Governor] General, viséd by us, or with individual permits to go and seek their property which they have left there, were intending to take, besides the goods necessary for trading, also certain sums of money, with which to buy beaver on the spot with cash or bills of exchange; after having examined this matter, which we have considered to be of very great importance, the more so as by this method persons could in those places conceal from and defraud the merchants who employed or fitted them out, and even dissipate what money there is in Canada. We prohibit every person whatsoever to make use of money or bills of exchange in trading; but only to employ the goods provided for that, under penalty, both against the sellers and the buyers of peltries, of confiscation of what may be found to be in possession, and of a fine of two thousand livres, both applicable, one third to His Majesty, one third to the Hôtel Dieu of this city, and one third to the informant; and in case that the said informant be one of the offenders, we declare that he shall not be proceeded against either by way of confiscation or of fine; and that the third of the said confiscation or fine incurred by those whom he may denounce shall be accorded to him as if he had not been a guilty party, if it be found that he is the first informant and that he has provided grounds for the said confiscation and fine. And in order that no one may be ignorant of it, our present ordinance shall be read, published and posted up in the customary places, not only of this city but also of Three Rivers and Montreal at the instance of the local judges

¹ A vivid picture of Canadian conditions at this time and a preamble to worse to come. Conditions, however, were becoming even more difficult in France itself, where the scarcity of money, as of other supplies, was becoming acute. From this time until some years after the Peace of Utrecht conditions grew worse instead of better. It may be said, quite generally, that the *habitants* of Canada during this unfortunate period knew little of the wretchedness suffered by the lower orders in the mother country.

whom we enjoy to do this without delay and to advise us of the parties guilty by these presents. And so we order, etc. Done at Quebec the fifth of March, 1685.

DE MEULLES

By My Lord
PEUVRET.

Let the above ordinance be published and posted up at the parish door of this city of Villemarie. And so we order, etc. Done the fifteenth day of March, 1685.

MIGEON DE BRANSSAT.¹

Read, published and posted up copy of the above ordinance at the door of the parish church of Villemarie in the Island of Montreal, at the close of High Mass in the Parish, Sunday 18th day of March 1685 by me, bailiff under [signed], so that no one may be ignorant of it.

CABAZIE.²

INTRODUCTION OF CARD MONEY³

Jacques de Meulles, Seigneur of La Source, Knight, Councillor of the King in his Councils, Grand Bailiff of Orleans, Intendant of Justice, Police and Finance in Canada and the Northern Territories of France.

Duly considering His Majesty's lack of funds and the need we have experienced of money for maintaining and subsisting the troops, the General having been obliged to give permission from the twenty fifth day of last April to all the soldiers of each of the ten companies that are in this country to work and hire themselves out to the inhabitants, in order in that way to help them obtain

¹ Jean Baptiste Migeon de Branssat was deputy of the Intendant at Montreal before 1693. In 1678 we find him issuing local ordinances at Montreal, apparently on his own authority. After the surrender to the King, by the Seminary of St. Sulpice, of its administrative and legal jurisdiction, March 1693, Migeon was nominated by the Superior of the Seminary and was accepted by the King as the first civil judge of Montreal. His commission was dated 15th March, 1693. An attempt had been made to establish a royal judge at Montreal under authority of the constitution of 1663. This the Seminary of Saint-Sulpice successfully resisted. (See Chapais, *Jean Talon*, p. 189.)

² M. Cabazie occupied the position of bailiff in the district of Montreal as early as 10th November, 1668.

³ Most of the earlier French writers who touch on the subject of the card money, including Charlevoix, (see vol. 3, p. 92), have attributed to the Intendant Champigny the first introduction of card money in Canada. They were doubtless misled by the memoir of 1712 (see p. 223) and, more particularly, the special memoir of the Council, presented 12th April 1717 (see p. 377). The documents which immediately precede this indicate the growing difficulties of the Intendant De Meulles in dealing with the financial situation of the colony, with increasing military supplies and soldiers' pay to be provided for. Thus some such expedient as the card money was indispensable. As the sequel demonstrates, the conditions which led to the introduction of the card money compelled its continuance. The increasing demoralization of the Imperial finances, in its reaction on the credit of the card money in Canada, chiefly accounts for the discredit into which it fell, as indicated in the documents which follow.

certain means of living until His Majesty sends us new funds; And later it having been represented to us that several of the said soldiers were not in a condition to gain their livelihood on account of their age and for other reasons of which we had knowledge;—a great part not even finding anything to work at, the majority of the inhabitants of this colony having already done their seeding and having no more need of the help that the said soldiers could afford them;—WE, after having subsisted the said troops from our own resources and through our credit for the period of four or five months, and considering the scarcity of money in the country, and the inability of the shop-keepers and others to lend any at present; and after having considered all the measures that we could take for the maintenance of the troops, HAVE JUDGED [it] suitable to have notes issued signed by us with the seal of our arms and our paraph on the back of them, of which the only denomination (*tous les prix*) shall be fifteen, or forty sols; or four livres, in order to pay all the officers of the said Companies as well as all the men who do not find work or who are not in a condition to work; Declaring that all the said notes shall serve them as ready money, and that we shall hold them good alike for the soldiers and the people of the colony, when they fall into their hands, assuring them that they shall be paid from the first funds, which His Majesty will surely send us by the vessels of the present year.* And in order that in the meantime they may serve everybody as current money, we forbid all persons of whatsoever quality and condition to refuse any of them, or to sell their supplies for them dearer than customary, under penalty of fifty livres fine for the benefit of the poor of the hospital of this city. And whereas it might happen that some rogues might forge our sign manual and in that way deceive those who do not know how to read or write; WE DECLARE that criminal proceedings shall be taken against those who are bold enough to attempt that, and that suit shall be brought against them as against forgers and robbers of the Royal funds.

WE CHARGE the Lieutenant General of the Provostship of this city, of that of Three Rivers and the Bailiff of the Island of Montreal and in their absence the King's Attorney and local (*des lieux*) officials to have these presents read, published and posted up without delay, as well in the customary places as in those where there have been companies quartered, and in other places in their jurisdictions, so that no one may be ignorant of them, and to certify this to us with their utmost diligence. And so WE ORDER.

Done at Quebec the eighth of June, One thousand six hundred and eighty five.

[Signed] DEMEULLES. [with paraph]

And lower down

By My Lord

[Signed] PEUVRET. [with paraph.]

*“ And even that we are answerable for them in our personal and private name. (s) demeules.” [In the margin.]

And after the said Ordinance, is written:—

Read, published and posted up in the customary places in this city of Quebec, by me, the undersigned, Royal Bailiff of the Provostship of this City, the tenth day of June one thousand six hundred and eighty five, (In erasure, a word of no significance.)

[Signed] MARANDEAU. [with paraph.]

And lower down:

Read, published and posted up at the Church-door of Ville Marie de Montreal by me, the undersigned, Sergeant (or Bailiff), at the close of High Mass, this seventeenth day of June, 1685.

[Signed] J. QUESNEVILLE.¹

REDEMPTION OF CARD MONEY

Ordinance of Intendant de Meulles, announcing the redemption in coined money of the card money, eight days after publication

JACQUES DE MEULLES

Seigneur of la Source, chevalier, Councillor of the King in his Council, Grand Bailiff of Orleans, Intendant of justice, police and finance in Canada and the northern territories of France.

His Majesty having remitted to us the funds destined for the maintenance [of the troops] which are in this country during this year, and being desirous of settling in coined money for the card money signed, paraphed, and sealed with the seal of our arms, in order to circulate in this country and to serve for the payment of the said troops, until we were able to withdraw them. We, in order to prevent the said notes from having a longer circulation, and indeed to prevent any person from undertaking to counterfeit or forge them, as has already happened, give notice to all persons, who may have our said card money, that they must return it to us; that is to say, those in Quebec and its environs, within eight days of the publication of the present, and in Three Rivers and Montreal and neighbouring places, also within eight days from the day of publication, which will be made without delay in each of the said places, at the instance of the Judges, who are settled in those places, and we declare that after the said time they will be no longer received, in view of the voyage that we must at once make for the King's service to Acadia.

We order &c. Done at Quebec the 5th September 1685.

DEMEULLES

By My LORD,
PEUVRET.

ISSUE OF CARD MONEY JUSTIFIED

MY LORD—²

QUEBEC, September 24, 1685.

.....
I have found myself this year in great straits with regard to the subsistence of the soldiers. You did not provide for funds, My Lord, until

¹ Quesneville, in October 1700, styles himself "Royal Bailiff of the Jurisdiction of the Island of Montreal." (See p. 113.) He had held the office in 1685.

² Written to Seignelay, Minister of Marine.

January last. I have, notwithstanding, kept them in provisions until September, which makes eight full months. I have drawn from my own funds and from those of my friends, all I have been able to get, but at last finding them without means to render me further assistance, and not knowing to what saint to pay my vows, money being extremely scarce, having distributed considerable sums on every side for the pay of the soldiers, it occurred to me to issue, instead of money, notes on cards, which I have had cut in quarters. I send you My Lord, the three kinds, one is for four francs, another for forty sols, and the third for fifteen sols, because with these three kinds, I was able to make their exact pay for one month. I have issued an ordinance by which I have obliged all the inhabitants to receive this money in payments, and to give it circulation, at the same time pledging myself, in my own name, to redeem the said notes. No person has refused them, and so good has been the effect that by this means the troops have lived as usual. There were some merchants who, privately, had offered me money at the local rate on condition that I would repay them in money at the rate in France, to which I could not consent as the King would have lost a third; that is, for ten thousand écus he would have paid forty thousand livres; thus personally, by my credit and by my management, I have saved His Majesty thirteen thousand livres.

.....
[Signed] DE MEULLE.

Quebec, 24th September, 1685.

NEW ISSUE OF CARD MONEY

Ordinance of Nicholas Dupont, deputy of the Intendant, directing M^r de Verneuil to issue card money of 40 sols, and of 4 livres, and forbidding the refusal of these cards as payment, on pain of a fine of 150 livres

BY THE KING

NICHOLAS DUPONT¹ Esquire, Seigneur of Neuville, Councillor of the King in the Sovereign Council in this country, deputy of the Intendant.

On a statement made to us by the Governor, that having applied to S^r de Verneuil,² agent of M. Lubert, Treasurer General of the Marine, to furnish the money necessary for the maintenance of the troops maintained in this country and for other extraordinary expenses, which it was proper to make

¹ Nicolas Dupont de Neuville was appointed by Governor de Courcelles a provisional member of the Council of Quebec, in Jan. 1670. His commission, as a life member, however, was not officially issued until 26th May 1675, when the King confirmed and regulated the establishment of the Sovereign Council. In May, 1669, letters of nobility were granted to him for his enterprise in settling in Canada. He was appointed Deputy of the Intendant De Meulles, August 1685, and acted for him during his special mission to Acadia, in 1686. He became senior member of the Council, and was appointed keeper of the seals, 1st June 1703. He died 25th April 1716, and not the 1st April 1717, as given by Clement, the latter being the date of the filling of his place in the Council.

² Sr. Jacques Petit de Verneuil occupied for a considerable period the position of agent or representative of the Treasurers General of the Marine in Canada. When metallic currency was sent to Canada by the Treasurer General of the Marine

for the King's service, he replied that the funds which he had had in his hands being exhausted, he was not in a position to satisfy the demand, and that it was necessary to make provision for it; we, deeming it proper to employ the same expedient of cards, which the Intendant made use of before, have ordered and hereby order S^r de Verneuil also to issue card money to the extent of such a sum as may be necessary. The said cards shall be of two kinds, that is to say, of 40 sols and of 4 livres, currency, and all sealed with the seal of the Governor, signed by the said S^r de Verneuil, who will write with his hand on each card the value of the same, which shall be employed in the payment of the troops and for other expenses which it was necessary to incur for the service of His Majesty. We forbid all persons to refuse them as payment, and direct them to repay in silver the surplus of the third which they are obliged to use, the whole under a penalty of 150 livres fine, to be applied, one third to the King's Domain, one third to the Hôtel Dieu, and the remaining third to the informer. Which cards being returned to the said S^r de Verneuil he will be obliged to pay their value in cash out of the funds which His Majesty will be pleased to appropriate this year for the maintenance of the troops and for extraordinary expenses. It is forbidden also to counterfeit the said cards, or to tender any that have been forged, on pain of being punished as forgers, and in order that no person may plead ignorance of it, the present ordinance shall be read, published and posted up at the close of High Mass, in this town and in the towns of Three Rivers and Montreal and other places where necessary; this to be done at the instance of the attorneys, royal and fiscal, in the said places, who are enjoined to give their attention to the execution of the above, and to furnish certificates to us within two months that it has been done.

We direct &c. Done at Quebec in our palace, February 9, 1686. Signed Dupont and, lower down, Roger.

Having examined the same ordinance, and considered the necessity of its having full and entire effect, We enjoin and order all governors, commanders and other officers, under our authority to give attention to the execution of the present ordinance. Done at Quebec, February 9, 1686. Signed Le M. de Denonville, and, lower down, by My Lord Desnoyers, and sealed with the seal of My Lord.

Collated with the original which I have placed in the hands of the Governor of this Island,¹ by order of the Bailiff of the said Island, by me the Clerk undersigned, March 18, 1686.

BOURGINE.

it was consigned to the care of his resident clerk or agent, and was paid out on the orders of the Intendant. These orders constituted the agent's vouchers for payment. When the funds were raised in Canada, the bills of exchange given to the local merchants in return for the currency furnished by them, were drawn by the agent on the Treasurer General in France. Hence, also, when the card money was employed it also was paid out through the agent of the Treasurer General on the same terms as coined money. The cards were redeemed by him from the funds which were next received from France, as part of the appropriation for the year. The confusion which resulted later, arose partly from the failure of the local holders to return all the paper in circulation. This, in turn, was due to the fact that some of it was destroyed, but chiefly from the postponement, and later the suspension of the redemption of the cards, while continuing the issue of them without any strict record or authorization by the government in France.

¹The Island of Montreal, of which Louis Hector de Callières was Governor at this time.

APPROVAL OF BILLS OF EXCHANGE: DISAPPROVAL OF
CARD MONEY

May 20, 1686.

*Extract from the replies to the letters received from Canada during the present
year 1686*I. TO M. DE DENONVILLE¹

Order to S^r de Lubert to arrange for the acceptance of the money of merchants in the country, giving them bills of exchange therefor.

The expedient he proposes of having the money of the Quebec merchants accepted by the clerk of the Treasury, and of giving them bills of exchange drawn on S^r de Lubert, is good. I am writing to S^r de Lubert to conform to this.²

II. TO S^r DE MEULLES

Expedient of card notes to be employed as money, disapproved.

He [His Majesty] strongly disapproved of the expedient which he has employed of circulating card notes, instead of money, that being extremely dangerous, nothing being easier to counterfeit than this sort of money. He approves, however, of his having declined the offer which was made of money of the country to be repaid in money of France.

¹ Jacques René De Brisay, Marquis de Denonville, was Governor of New France from August 1685, to October 1689. His instructions were issued 10th March 1685, and on 31st May 1689, he was notified of his recall, on the ground that he was required to serve in the war in Europe, after which he might be sent back to Canada. In reality he had proved a very inefficient governor, particularly in the management of the critical relations with the Iroquois, whose enmity and contempt he had incurred with resulting disaster for the colony, more particularly in the district of Montreal. As regards the civil administration of the colony, he was well intentioned but vain and weak, and hence subject to personal influence.

² This expedient of giving bills of exchange on France to secure currency for local needs and thus avoid the double inconvenience of one party importing coins from France and another exporting them to France, was not unknown to the merchants and traders. As we have seen, (see p. 75) the merchants had offered De Meulles supplies of money on the basis of the local rating to be repaid in bills on France at the rating of the coins in the Mother country. Apparently, however, the agent at Quebec of the Treasurer General of Marine had not been hitherto authorized to obtain local supplies of coin in return for bills of exchange. From this time on it was a common practice, limited only by the scarcity of coinage in the country. Thus, in a letter of Champigny to the Minister, in giving an account of the expenditure of the colony for the maintenance of the troops and the still more expensive process of keeping the Indians of the western posts, such as Cataragui and Niagara, in friendly relations with the French, we find the statement—"The Marquis Denonville and I have found ourselves obliged to order the agent of M. de Lubert to borrow here the sum of one hundred and five thousand livres and to draw bills of exchange on the said Sr. de Lubert payable only in the month of May when it may occasion him no inconvenience". (*Série C¹¹ I, Vol. 9, p. 256.*) See also below, in the Letters of Champigny to the Minister of 10th May and 12th October 1691, given at pp. 95, 97.

REDEMPTION OF CARD MONEY

Ordinance of Intendant Bochart, directing the inhabitants who have card notes to present them within two months, to receive the payment of them in money

BY THE KING

JEAN BOCHART, chevalier, seignior of Champigny, Noroy and other places, Councillor of the King in his Council, Intendant of Justice, Police and Finances in New France.¹

Having learned on our arrival in this country that the money appropriated by His Majesty for the subsistence of the troops and for other necessities of the country had failed to reach here at the commencement of the present year, and that to supply its place and continue the payment of His Majesty's troops, card notes had been made, signed and paraphed by S^r de Verneuil agent of M^r de Lubert, Treasurer General of the Marine, and sealed with the seal of the Marquis de Denonville, Governor and Lieutenant General of His Majesty in the said country, which in virtue of the ordinance of the deputy of M. de Meulles, formerly intendant in the said country, were given currency and employed as cash for the payment of the said troops by the said S^r de Verneuil, and it being to the advantage of the private individuals holding the said card notes to be reimbursed for them from the funds recently received by the said S^r de Verneuil for the payment of the said troops, We order that he pay and reimburse in cash all the card notes which are brought to him, after he has verified them, and for this purpose that all persons, in this town, as well as in those of Three Rivers, Montreal, and the seigniories of this country, should bring to him all the said notes within two months from the day of the publication of the present, after which time the said S^r de Verneuil will not be obliged to redeem them, unless they make known to us the reasons which prevented them from returning them within the said time, and our present ordinance shall be read, published and posted up as well in this town as in those of Three Rivers, Montreal, and other places, where it will be necessary to be carried out according to its form and tenor. We direct &c. Done at Quebec September 26, 1686.

BOCHART CHAMPIGNY

By My LORD

FREDIN.

Let the said ordinance here above be published, posted up and registered next Sunday, the 13th of the present month, Done 8th day of October, 1686.

MIGEON DE BRANSSAT.

¹ Champigny, whose full name and titles are here given, succeeded De Meulles as Intendant in September 1686, and continued in that capacity until 1702, an exceptionally long term. His instructions were dated 31st May 1686, and his commission 24th April, 1686. He maintained good relations with Denonville; but, not unnaturally, experienced considerable difficulty with Frontenac during the second term of the latter as Governor. (See for instance *Série C¹¹ I*, Vol. 15.) He had much to do with the expansion of the issue of card money in Canada. He found himself constrained to make use of this expedient owing to the financial crisis in France and the consequent lack of funds from thence. Although a capable officer in most respects, yet in several memoirs of the period we find him strongly condemned for his manipulation of the public funds. After leaving Canada he appears to have been appointed Intendant of Marine at Havre de Grace, 1st April, 1702.

REPAYMENT OF BILLS OF EXCHANGE

VERSAILLES, February 28, 1687.

To S^r DE LUBERT

The King has decided to send to Canada the funds which have been requested for the extraordinary expenditure to be made in the country, of which the eighty thousand livres of bills of exchange drawn upon you form a part. Upon which I have to inform you that it is necessary to discharge, without objections being raised, the said bills of exchange, the repayment of which will be made to you, as follows.

By an order of today on the fifty thousand livres of funds set aside in the General Account of this year for freight on flour and clothing to be sent to the West Indies and to Canada, and for other extraordinary expenses.	30,000 livres
---	---------------

By another order on the funds set aside for the pay of the companies maintained in the West Indies, 1687, also, on the funds destined for clothing to be sent to them.	10,000 livres
--	---------------

Further, the amount which will be taken out of the eighteen thousand two hundred and eighty one livres, which S ^r de Champigny informs me by his letter of the 16 th November last S ^r de Meulles has handed over to him as the remainder of the twenty thousand livres of funds, set aside in 1683 for fortifications in Canada.	10,000 livres
--	---------------

Amounting to.	50,000 livres
-----------------------	---------------

And for the remaining thirty thousand livres, you will retain them from the funds, which I am giving you an order today to remit for the pay of the companies maintained in Canada during the Present year.	30,000 livres
---	---------------

Total.	80,000 livres
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You perceive from this statement that, by paying here the ten thousand livres which make part of the eighteen thousand two hundred and eighty one livres of funds which are for Canada, you will have less to remit by these ten thousand livres. I am giving advice of this to S^r de Champigny, and that you will charge this sum against the other funds which I am giving you orders to-day to remit, in addition to the eighty thousand livres above mentioned.

[Not signed]

RATING OF GOLD COINS

*Ordinance of M. Bochart Champigny which fixes the rating of louis d'or, half-louis, half-écus, etc., etc.*¹ (24 July, 1687)

JEAN BOCHART, Knight, Seigneur de Champigny, Noroy and Verneuil, Councillor of the King in His Councils, Intendant of Justice, Police and Finance in Canada.

Since we have learned that His Majesty has rated louis d'or and Spanish pistoles at eleven livres ten sols each, gold écus at one hundred and nineteen

¹ Four days later, on the 28th July, the Council met and passed an order, on the representation of the Attorney General, to exactly the same effect as this ordinance of the Intendant. (See J. et D., vol. 3, p. 179.)

sols, half-louis and half pistoles at one hundred and fifteen sols, and half-écus at fifty-nine sols six deniers; all of which appears from the accounts and statements of the gold and silver sent from France this present year by M. de Lubert, treasurer of the Marine, in which the gold coins are rated at the said values; we decree that louis d'or [and] pistoles shall both circulate in this country for eleven livres ten sols [scil: écus] of gold for one hundred and nineteen sols, half-louis and half-pistoles for one hundred and fifteen sols and gold half écus for fifty-nine sols six deniers, all money of France, which is, in money of Canada, viz:—louis d'or, pistoles, fifteen livres six sols, eight deniers; gold écus, seven livres eighteen sols eight deniers; half-louis and half-pistoles, seven livres thirteen sols four deniers; gold half-écus, three livres nineteen sols four deniers. We enjoin upon all that when the said coins are good and of weight, they are to receive them at the said ratings, under penalty of one hundred livres fine. This to be posted up where necessary. Done at Quebec the 24th July, 1687.

BOCHART CHAMPIGNY

By My LORD

FREDIN.¹

Read, published and posted up on the door of the parish church of this city of Villemarie, at the end and conclusion of parochial high mass celebrated this day, Sunday, — August, one thousand six hundred and eighty-seven, by me, Bailiff of the bailiwick of Montreal, . . . resident of the said Montreal, undersigned

GILLET.

CONVICTION FOR COUNTERFEITING²

TUESDAY, March 7, 1690.

The Council in Special Session.....

HAVING HAD UNDER CONSIDERATION the exceptional criminal action brought by the Lieutenant General of the Royal Provostship of this Town, and deputy of the Intendant, on the motion of the King's Attorney of the said Provostship, complainant and prosecutor, against Pierre Malidor, Surgeon, defendant and accused, a prisoner in the prison of this Town: The Examination of the accused, containing his admissions, confessions and denials, on February 27, last: the Report of the Escape of the accused the same day: the charge against him laid on the first of this month: the Request of the King's Attorney that the Examination of the said Malidor might be re-opened, of the same day; the re-opening of the examination of the accused; the entering of the same on the registers of the gaol, by the bailiff, Prieur, on the second: another request of

¹ M. Fredin appears to have been at this time assistant clerk of the Council. Later, in 1700, he was appointed Agent of the Treasurers General in Canada to succeed Verneuil, on his death. (See p. 115).

² Several other cases of counterfeiting card money were brought before the Council. One was tried on the 22nd May, 1690. In this case the offender was condemned to be hanged, but on appealing to the Council the sentence was changed to one somewhat similar to the present, although with interesting variations in detail. (See J. et D., vol. 3, p. 42.)

the King's Attorney on the same day: the cross-examination of the witnesses on their depositions, the following day: the confronting of the witnesses and the accused, the same day: the Decree of the Intendant ordering that the documents of the trial should be communicated to the Attorney General, to be determined upon in this Council: the decision of the Council of this day on the reference of the Intendant, directing that the trial should be reviewed here on the report of the Lieutenant General: conclusions of the Attorney General of the King, on the same day: examination this day of the accused, seated in the dock in the Council Chamber: Examination, thereafter, of Guillaume Dupont, tailor, and the confronting of him and the accused: having heard the report of the Lieutenant General, and given the question full consideration, the Council has declared and hereby declares the said Pierre Malidor to have been duly charged and convicted of having counterfeited eleven cards of the value of four livres each, by forging the handwriting and signature of M. De Verneuil, Treasurer of the Marine, together with the signature of M. Duplessis and the seals of the Governor and Intendant, and of having afterwards passed the said counterfeit cards into circulation, and received their value in silver, in place of those which circulate as coined money: and as penalty [the Council] condemns the said Malidor to be beaten and flogged on the naked shoulders by the King's executioner, at the gate of the Parish Church of Notre Dame in this town, and in the customary squares and places, in each of which he shall receive six lashes of the whip, furthermore to make good the value of the said cards forged by him, and to pay to the King a fine of ten livres. The said Malidor is also condemned to compulsory service for three years, his bondage shall be made to anyone only on condition that he shall serve beyond sixty leagues from this town. He is forbidden to dwell herein, or to return here during the said period, under pain of being hanged. It is further ordered that he remain in prison until the person desiring to take him into service has completed the engagements. The said counterfeit cards shall be burnt by the executioner, in the King's square in Lower Town, with the exception of two, which bear the cyphers of the Lieutenant General, and are deposited in the Clerk's office, for reference if need be.

BOCHART CHAMPIGNY.

R. L. CHARTIER DE LOTBINIÈRE.¹

¹ René Louis Chartier de Lotbinière was the son of Louis Chartier de Lotbinière the elder (see note 1, p. 39). He was appointed, 26th May 1675, a member of the Council, becoming first Councillor in 1703. He was Lt. General of the provostship of Quebec from 1677 to 1699, and was commended by the King, 7th April 1691, for his zeal and integrity in the discharge of his official duties. He was much interested in the affairs of the colony in a number of capacities, personal and representative. He was one of the first directors of the Company of the Colony, which took over the privileges and obligations of the colonial trade and *ferme* in 1700 (see note 2, p. 117). On June 1704 he was authorised by the minister to fix the prices of goods, to prevent monopoly rates while supplies were scarce. In 1705 he was appointed, with Duplessis, as joint agent of the Company to manage the beaver contracts. The Minister suggested that, as first councillor and a member of the beaver company, he should endeavour to put a stop to the cabals among the directors of the Company. He had his own difficulties, however, with different members of the Company. D'Auteuil, q.v., opposed his appointment to manage the beaver contracts, and in 1706 he was commonly accused of being the chief power behind the throne and able to manipulate the governor. On the 6th June, 1708, he was appointed to examine the accounts of the Company of the Colony, as also the clerks of the Company. He died in 1710, and was succeeded in the Council by his son.

RATING OF GOLD AND SILVER COINS

Ordinance of M. Bochart Champigny, which fixes the rating of louis d'or, half-louis, etc., etc. (22 November, 1690.)

JEAN BOCHART, Knight, Seigneur of Champigny, Noroy and Verneuil, Councillor of the King in His Councils, Intendant of Justice, Police and Finance in Canada.

It having been represented to us by M. Duplessis,¹ agent in this country of M. de Lubert, Treasurer General of the Marine, that in the official minutes sent to him, made up in France, of His Majesty's funds for the payment of troops and other expenditures, louis d'or and pistoles are rated at eleven livres twelve sols, half louis d'or at 116 sols, gold écus at six livres, gold half écus at three livres, silver écus at three livres two sols, and thirty sol pieces for thirty-one sols, as witness the said official minutes of dates 15th and 25th July of the present year, signed Bégon, Intendant of Rochefort, Massiot, commissioner and Noel, agent of said M. de Lubert at Rochefort, We have decreed and hereby decree that coins shall be current in this country at the same rate as above, to wit:—The louis d'or and pistole for eleven livres twelve sols, money of France, being worth fifteen livres nine sols four deniers, money of this country;

The half louis d'or and half pistole for 116 sols, money of France, being worth seven livres fourteen sols eight deniers, money of this country.

The gold écu for six livres, money of France, being worth eight livres, money of this country.

The gold half écu for three livres, money of France, being worth four [*scil.*: livres], money of this country.

The silver écu for three livres two sols, money of France, being worth four livres two sols eight deniers, money of this country.

The thirty sols piece for thirty-one sols, money of France, being worth forty-one sols four deniers, money of this country.

The fifteen sols piece for fifteen sols six deniers, money of France, being worth twenty sols eight deniers, money of this country.

And in regard to the pieces of three sols six deniers, in [*scil.* and] *sols-marqués*, they shall be current at the same rate as formerly, there being no change in these two pieces of money, which are worth in this country, viz:—the piece of three sols six deniers, four sols eight deniers, and the *sols-marqués* sixteen deniers.

¹ Geo. Renaud Sr. Duplessis came to Canada about 1690, apparently as temporary agent of the Treasurer General at Quebec. He afterwards took a very active part in the affairs of the country, especially in connection with the Company of the Colony. In 1703 he succeeded Villeray as agent general of the *ferme* of the king in Canada, and in 1705 was appointed with Lotbinière to manage the beaver contracts of the Company. In 1707 he was agent of the Company of the Colony drawing bills on the Company, and in that capacity got heavily into its debt, judgment for 20,950^{ll} having been recorded against him. The following year, in June 1708, a period of grace was granted to him for the payment of the arrears to the Company. Meantime he put in various counter-claims, and in October of the same year had settled with the Company and escaped payment. The King did not like the appearance of the deal but was unable to prevent it. It was remarked that Duplessis had managed to get out of his difficulties very cheaply. In 1711 he still occupied the position in Canada as agent of the Treasurer General, and as such was ordered to pay the army officers and others on the royal establishment without the customary reduction of one tenth and a special tax of 4 *deniers* on the *livre*. In 1710 he was Receiver to the Lord Admiral at Quebec. He propounded various schemes for the general improvement of conditions in Canada, among them that of a special currency for the province.

And as to the card money which we have had made for use in this country, it shall be current for four livres, forty sols and twenty sols, money of this country, in the same way as in the past, until, it is entirely redeemed by M. Duplessys in coined money, according to the values above given:

And in order that no one may be ignorant of the present [ordinance], it shall be read, published and posted up in the cities of Quebec, Three Rivers and Montreal, and anywhere else where need may be. And so we order, etc. Done at Quebec the 22 November, 1690.

BOCHART CHAMPIGNY.

By My Lord,
FREDIN.

NEW ISSUE OF CARD MONEY

Ordinance of M. M. de Frontenac and Bochart, announcing that a new issue of card money will be made of 4 livres, 2 livres, and 20 sols

BY THE KING

LOUIS DE BUADE, Count de Frontenac, Governor and Lieutenant General of the King in all the France of the north.¹

JEAN BOCHART, chevalier, Seigneur de Champigny, Noroy and Verneuil, Councillor of the King in his Council, Intendant of Justice, Police and Finance in the said country.

It being necessary for the King's service to have in this country a money which can circulate to provide subsistence for the troops and meet the expenses of the war, until the funds which it may please His Majesty to furnish for the present year shall have arrived, and considering the benefit the card money was to us last year for the same object, we have ordered, and hereby order that there shall be issued new card money of pieces of 4 livres, 2 livres and 20 sols, money of the country, which will circulate like ordinary money, according to the value which shall be written upon it by the hand of S^r Duplessis, agent of M. de Lubert, treasurer general of the marine, and signed by him, with the seal of the arms of us the said Governor, the impression of which is hereunder, and with the paraph of us the said Intendant as it appears at the side of the said impression. We forbid any person to refuse it as payment, on pain of one hundred livres fine. This money we will have redeemed from the funds which His Majesty will cause to be sent this present year, as was done by us last year. We enjoin those who have in their hands the remainder of the said card money made in 1690,² to bring it to the said S^r Duplessis, within a month of the day of the publication of this present, to be redeemed, and from the present we declare that it shall no longer circulate

¹ Frontenac came out to Canada for his second term as Governor in the autumn of 1689. He was appointed 15th May, and his instructions are dated 7th June, 1689. He died at Quebec 28th November, 1698.

² There has not been found among the various documents of 1690 any official record of the issue of the card money in that year. It was probably issued on the authority of an ordinance of the Intendant, and these ordinances have been lost.

nor be received after the said time; and in order that no person may undertake to counterfeit the said card money, we very expressly prohibit it, on pain of death as counterfeiters. We command all persons to give attention to the execution of the present, which shall be read, published and posted up throughout the colony, so that no person may plead ignorance of it. Done at Quebec, January 7, 1691.

FRONTENAC.

(L.S.)

By My Lord
DE MONSEIGNAT¹

BOCHART CHAMPIGNY

By My Lord
FREDIN.

EXCHANGE OF CARDS

ORDINANCE OF M. FLEURY DESCHAMBAULT²

Since the Treasurer cannot, for the moment, change the cards of 1690 for new ones, which he has not yet received, the clerk may accept in exchange the notes of the Treasurer which have the same value as coined money.

Audience held Tuesday thirteenth day of February sixteen hundred and ninety one before the Bailiff.

.....
On a representation made to us by our Clerk^{2a} that, in consequence of our ordinance of the sixth of this month,³ he had brought up the cards deposited at the office by individuals, and that the Treasurer⁴ had told him that he had

¹ Chas. de Monseignat was at this time Controller General of the Marine in Canada. He was secretary to Frontenac during his second term as Governor, and wrote a very interesting memoir on conditions in Canada from November, 1689 to November, 1690. (See *Série C*¹¹ I. vol. 11.) He returned to France after the death of Frontenac but was soon afterwards sent out again as Controller of Marine and Fortifications, his commission being dated 1st June 1701. He was appointed a member of the Council 1st June 1703 and chief Clerk of the Council 1st June 1704, to succeed Peuvret. By a special dispensation he was allowed to hold the two offices of Clerk of the Council and Controller of the Marine, which positions he still held in 1711. From October 1709 to 1712 we find him acting as director or manager of the *ferme* of the western domain. He sought to have his position as chief clerk of the Council granted in reversion to his son, which had been the common practice in New France, as well as in the Mother country, before 1700. The results, however, in some notable instances, in Canada at least, had been rather unfortunate, and the Minister intimates to him, 4th July 1713, that this is no longer the practice. Having apparently renewed his solicitations he is informed on the 24th May, 1714, that the King has definitely refused to grant the reversion of the clerkship to his son. He died 20th October 1718.

² Jacques Alexis Fleury Deschambault was granted his commission by the Council as District Judge of Montreal, under date of 3rd November, 1690. On the 12th July, 1713, he was referred to as Lieut. General of the Provost Court of Montreal.

^{2a} Antoine Adhémar de Saint-Martin, a scion of the distinguished house of Lantagnac, was Clerk of the same court. It is recorded that he was appointed Clerk of the King's Court of Montreal, 15th March, 1693.

³ See *Archives du Palais de Justice de Montréal. Registre des audiences*, p. 130.

⁴ Referring to M. Duplessis, the Agent in Canada of the Treasurer General of Marine.

neither money nor cards of the present year, which he expected from day to day, and that he had offered him a note in the meantime asking us to provide for it; the deputy in this bailiwick said that the month of delay for returning the cards had partly expired. He has concluded that the said Clerk shall take to the Treasurer the card deposits in hand, and receive for each deposit distinct and separate notes, and by presenting the said notes he will be well and effectively discharged from said deposits, except when money arrives to enable the said notes to be redeemed, being satisfied with a moderate fee. We considering the conclusions of the said Deputy, order the said Clerk to take the deposited cards in hand to the said Treasurer and receive for them notes for each deposit separately, which he will have paid off when the money arrives, being given his fee, and by presenting the said notes he will be and remain (discharged) of said deposits.

DESCHAMBAULT.
ADHEMAR.

The Court House,
Montreal.

NECESSITY FOR NEW ISSUE OF CARD MONEY¹

*Extract of the Memoir of M. de Champigny to the Minister, dated
10th May, 1691*

Though Count de Frontenac and I drew, through M^r de Lubert's agent last November, bills of Exchange on France for 87,377¹¹, in order to have funds in this Country, we could not meanwhile avoid this year making a new issue of card money in order to meet all the expenses, as a portion of our funds consisting of stores did not arrive last year, and we have redeemed the card money issued in 1690. It is highly necessary, My Lord, to adopt some other expedient in order to have funds every year in this Country to meet the expenses of the first five or six months of the succeeding year. If you will authorize the payment in France of bills of exchange at two or three months' sight, to be drawn here by M. de Lubert's agent, when the last ships sail it will be possible to borrow from our merchants here to the amount of fifty thousand écus in ready money. We pray you think over this, My Lord, and consider the wrong done the troops who purchase at much higher rates for card money than for specie, and who experience, in addition, considerable difficulty in procuring necessaries.

[Signed] CHAMPIGNY.

Quebec, 10th May, 1691.

¹ Translation revised from New York Documents, Vol. 9, p. 497.

ALTERNATIVE TO CARD MONEY

MY LORD,—

.....
 I am able to give you the strongest of assurances, if you consider these expenses as running too high, that it is not necessary to undertake any works without your orders. It is simply necessary that you take the trouble to make it known to M de Frontenac, who has the authority to order the execution of the works which he desires, and afterwards my duty is only to execute them on the best terms possible. M. de Lubert's agent has advanced this increase in the outlay for fortifications, by means of card money, which we have had made. I beg you, Sir, to have this amount remitted to us next year, which is 15,505^l 3^s. 9^d.

.....
 Count de Frontenac and I would be glad to be no longer obliged to issue card money for the payment of the troops and other expenses, between the commencement of each year and the arrival of the vessels, and in order to avoid it next year we have given orders to M. de Lubert's agent to receive from our merchants and business people funds to the amount of 200,000 livres, and to draw bills of exchange for this amount on M. de Lubert, payable in the month of May next out of the funds which are allotted to this country. This will also give pleasure to our merchants, who were much embarrassed to make their returns, very little beaver having come down this year, and they do not like to risk their money on the sea. Moreover, the King will not have to run the risk of all the funds for next year. I beg you, My Lord, to order the payment of the said bills as they fall due so that we may be able to employ the same expedients in the future, if you judge it proper.

I am sending you a statement of the amount it would be essential that the King should advance each year as a fund to meet the expenses of the first six months of the following year.

I beg you, My Lord, to inform me on what basis you desire that the old money should have currency in this country. The old louis d'or and the pistole circulate at 11^l 12s., the écu d'or 5^l, the old silver écu 3^l 2s., and the other pieces in proportion, as they were sent to us in 1690. With respect to the new money, it circulates on the same footing as in France.

.....
 [Signed] CHAMPIGNY.

Quebec, 12th October, 1691.

In the margin: An ordinance is necessary for decriing the coins not yet re-stamped, and the pistoles, in order that they may be brought to the mints in France for conversion into new money.

REPLY TO ABOVE

King's Memorandum to the Sieurs Count de Frontenac and de Champigny

.....
 Recoined silver écus, halves and quarters, Louis d'or, halves and doubles, shall have currency in Canada on the basis of the augmentation ordered by

the declaration of His Majesty, dated¹ and of one-fourth of the said augmentation, in accordance with the ordinary value of coins circulating in Canada.

As regards coins not recoined, and pistoles, His Majesty has seen fit to issue the ordinance herewith to prevent their use, in order that they may be taken to the mint in France, for the purpose of being recoined.

His Majesty has caused the 200,000 livres to be paid, which had been drawn in Canada, in bills of exchange, to furnish part of the fund for the expenses for the current year, and he approves of S^r de Champigny making use of these bills in future for the same purpose, as much to facilitate the subsistence of the troops until the arrival of the King's vessels, as to reduce the export of specie. To the same end, His Majesty deems it necessary to send the funds destined for the troops as well as for other expenses, in food and merchandise rather than in money. Sieur de Champigny should apply himself, in concert with S^r de Frontenac, to determine carefully the articles most suitable in quality, quantity and price in order to prepare memoranda of the articles that ought to be sent.

.....

COIN IN CANADA NOT TO BE REDUCED .

QUEBEC, November 5, 1694.

.....

Article 52.

We have considered what had best be done for the welfare of the colony, respecting the circulation of coin in Canada, and we have thought it necessary to make no changes, fearing that, by reducing them to the basis of the last declaration of the King, we should cause many persons to risk what they have on the two vessels which are here, to which a similar accident might happen as to the *Corossol* which was lost in the river. Moreover, it is certain that no money will come from France except what the King sends. The little commerce carried on in this country would be entirely ruined if no money remained in it.²

.....

Paraphed;—FRONTENAC, CHAMPIGNY.

¹ Blank in original.

² A joint letter to the Minister on various subjects, especially with reference to the conflict with the English then in progress.

MANNER OF PAYING BILLS OF EXCHANGE

VERSAILLES, February 16, 1695.

TO M. DE LUBERT¹

I have received the letter you have written to me in reply to the order which I have given you to accept the bills of exchange drawn upon you from Canada, for the payment of the troops which are in that country. It is necessary that I should know the condition of the affairs of those to whom these bills are payable to enable me to say whether there may be any objection to what you ask. If, however, they are not to be paid until the first of May, by which time the vessels which go to Canada will have sailed, I cannot see that it can be a matter of great importance to them to be paid only half in May and half in June. You can at least propose it to them, and I will approve of your paying them at these two periods if they consent thereto.

[*Not signed.*]

READY MONEY PREFERABLE TO MERCHANDISE

QUEBEC, 2 November, 1695.

I do not understand how the lack of economy obtaining in the expenditure made in this country can be imputed to me, for, as for those with which I have to do, I can assure you that I am even more careful about them than if the money came out of my own pocket, and as for those with which I have nothing to do, it is unjust to make me responsible for them.

I should think that henceforth it would be more advantageous to send over ready money to replenish our funds, rather than to send them in merchandise; because, besides the fact that it is in a manner invidious and a great hardship to the other merchants for the King to have a store here six times larger than any of theirs, I am not sure that the profit obtained from the sale of merchandise retailed here is as great as one could hope, to increase the funds for our extraordinary expenditures, and that it does not cause wranglings and confusion which nobody can at all see through, and I still less clearly than others. A long time ago they proposed to strike a special coinage of 100,000 francs or 40,000 écus which should circulate only in this country. If it is not issued we shall find ourselves entirely devoid of money, because it is shipped to France every year:—which here results in much injury to business.

.....
[*Signed*] FRONTENAC.M. DE LAGNY.²

¹ Obviously from the Minister. The parties who held these bills were commonly the merchants in France who supplied the stores for the government and the merchandise for the traders, sent out from France in the spring to arrive after the opening of navigation in Canada.

² Jean Baptiste de Lagny was appointed in March 1686 Director General of Trade, having charge of external trade relations and customs duties. Colbert had built up a new and extensive organization for the Department of Marine, the central administrative establishment of which was at Rochefort. In 1690 the administration of the marine was made a special department and assigned to Lagny with the title of Director of Commerce. Under the administration of de Seignelay, Lagny had very extensive powers. He drew up the instructions to the Governors and Intendants of the colonies, and represented the Minister on the boards of the commercial companies, such as the Company of the West Indies. He continued in office until 1695, and died in 1700.

REQUEST FOR ADDITIONAL FUNDS

Duplicate

*Messrs de Frontenac and de Champigny, 26 October, 1696.
Colonies*

MY LORD:
.....

You must not be surprised to learn, by the statements that will be sent you by M. de Champigny, of the expenditure that has been made this year, not only for the above items but also for the equipment of the vessel *La Bouffone*; by them, you will see that it is impossible for us to reserve from our funds the 39,894 livres, on the one hand, and the 34,337 livres, on the other for which we have been asking you since 1693. This causes us to hope that you will have the goodness to have them returned to us, in order to put us in a position to satisfy the debts we have contracted by means of the cards, which circulate in trade and which we have not yet been able to withdraw, and to continue the war which it is more necessary than ever to wage without ceasing, if we wish to profit from the advantages of the campaign which has been carried on and to reduce the enemy.¹

.....

[Signed] FRONTENAC. CHAMPIGNY.

Quebec, 26 October, 1696.

OFFICERS OF JUSTICE TO RECEIVE SALARIES, ETC., IN MONEY OF FRANCE

Saturday, February twenty second, 1698.

The Council in Special Session.

ON APPLICATIONS presented to the Council by several officers of justice, and practitioners in this country, to be paid in money at the rate in France, the fees, salaries and emoluments prescribed for them, each according to his

¹ On the 13th October, 1697, Champigny explains to the minister that as they have not always sufficient funds to meet the expenses of the year, it is necessary to anticipate the funds of the following year, and that this is why, for several years past, they have found their expenditure exceeding the appropriations for the year. He points out also that since a great part of the funds for each year are sent out in the shape of goods they are not available at once. (See *Série C¹¹ I. vol. 15. p. 130.*) This supports the contention of Frontenac in the despatch of the 2nd November, 1695. The following year, October 1698, Frontenac and Champigny earnestly request the minister to send out sufficient funds to meet the expenses for that year and to liquidate the debts of the past, which had been due chiefly to losses and captures by sea of the goods and stores sent in the years 1690-91-92, as also to the exceptional expenses of the years 1693 and 1697. (*Série C¹¹ I. vol. 16. p. 5.*)

service:—On the conclusions of the King's attorney general and in conformity therewith, the COUNCIL, after having taken into account the appropriations made by His Majesty on May 12, 1676, for this country, has permitted and hereby permits all officers of justice to receive, in future, their fees, salaries and emoluments in money at the rate in France, in accordance with the said appropriation.

BOCHART CHAMPIGNY.

ROUËR DE VILLERAY.¹

DISAPPROVAL OF THE USE OF CARD MONEY

VERSAILLES, 27th May, 1699.

TO MONSIEUR DE CHAMPIGNY²

I have been surprised to find again in your accounts an outlay for card money. I had reason to believe that, by means of the considerable sums which you have been accustomed to borrow, at the departure of the vessels, and which I have always regularly repaid, you would no longer have been reduced to

¹ Louis Rouer Sr. de Villeray was nominated by Governor de Mézy and Bishop Laval as one of the first Councillors under the new constitution of 1663. His formal appointment was made on 18th September, 1663, (*Edits et Ordonnances* vol. 2. p. 6.) Previous to this he had been Lieutenant particular (i.e. taking cognizance of causes between subjects only) of Quebec. In the disputes between de Mézy and Laval, taking the side of the Bishop he was deposed from the Council by an ordinance of 13th February 1664. Having been restored to his position as Councillor, he was appointed as first Councillor by De Tracy on the 6th December, 1666. In the subsequent troubles between Frontenac and the Bishop, he again sided with the Bishop, and was suspended by Frontenac. On instructions from Colbert, 1673, he was again restored. In a personal letter to Frontenac, in 1674, the King rebuked him for his treatment of Villeray and ordered that he be restored to the position of first Councillor. Accordingly, on the 6th December 1675, he was appointed first Councillor for life. He was a very prominent merchant and citizen of Quebec; having been apparently the first Canadian merchant to open up direct trade with the West Indies. His keenness in business matters is emphasized by La Mothe Cadillac, who, in a memoir on the internal affairs of Canada, of October 28th, 1694, declares that Villeray kept a butcher's shop in his house, retailing meat through his younger brother and collecting the money through his wife. The West India Company, established in 1664, commissioned him to collect the duty of ten per cent levied on certain imports to Canada. In 1687 he was selected as the general manager in Canada for Pierre Domergue, the new lessee of the Canadian *ferme*, 1687 to 1692. In 1702 his son succeeded to his position as Councillor after his death. He signed the above order in virtue of his position as first Councillor.

² From the Minister, Louis Phélypeaux Comte de Pontchartrain, a member of one of the great families intimately connected with the government of France and its colonies. He was born 1643. At the age of seventeen he was received as a councillor of the parliament of Paris. In 1667 he was appointed the first president of the parliament of Bretagne, and did much to pacify that province. Peletier, the controller general, appointed him, in 1687, Intendant of Finance; and when he quitted the ministry nominated him as his successor in the high office of Controller General of Finance, a position which he retained from 1689 to 1699. The following year he succeeded to the position of Seignelay as chief of the Department of Marine, and in this capacity was Minister for the Colonies. This office he held conjointly with that of the Controller General of Finance until 1699, when he became Chancellor. He was of a very conservative disposition and opposed to many of the wild financial projects of a period when the finances of the kingdom were greatly embarrassed. He resigned the position of Chancellor shortly before the death of Louis XIV, and retired to the chateau of Pontchartrain, where he died 22nd December, 1727. (See Michaud, *Biographie universelle*, Vol. 35. p. 371.) Jerome, Comte de Pontchartrain, also an important colonial minister (see note 2, p. 109) was his only son and he in turn was father of the celebrated minister Comte de Maurepas, even more intimately connected with the fate of Canada and the French colonies.

this extremity, which might throw you into great embarrassment, if there were persons daring enough to forge them, a thing it is always necessary to anticipate in matters of this sort. It is the determination of the King that the practice shall cease, and in his name I forbid it for the future, permitting you, however, to continue to borrow, on the departure of the vessels sufficient only for the maintenance of the troops, until the arrival of the others. But as I am very desirous to be informed of all that has taken place in this regard, I desire you to send me a statement of what has been issued of this kind of money, year by year, since it was first introduced; also that you inform me whether each year all of the issue of the preceding year has been called in, or whether part of it remained in circulation, and how much, whether from year to year His Majesty has suffered any loss on the redemption of this money, and finally, whether, on the withdrawal of the whole, which I very much desire you should accomplish before the departure of the vessels, His Majesty will have suffered any loss. Send me an exact account of all I ask for in this matter, in order that I may lay the same before His Majesty.

.....
[Not signed.]

REASONS FOR ISSUE OF CARD MONEY

Colonies

M. de Champigny

Without address: 20 October, 1699.

MY LORD:—

.....
As there cannot be returned other documentary evidence for any proof of the 34,337^{ll} 4^s. 7^d.¹ in the way of captures and losses sustained at sea, than the certificates of M. Bégon, Intendant of Rochefort, and my own, with the vouchers of M. de Lubert's agent for the repayment of it, which he will be ordered to make, he having made this advance from the funds in card money transferred to him for this purpose, I request you, My Lord, to be good enough to give orders, that no difficulty be made over this point on the rendering of the Treasurer's account accompanied only by these documents.²

.....
The supplies of grain that I have been obliged to make every year, the sending from France of a considerable part of the pay of the troops in flour and bacon, which have been converted into pay only after long delay, the

¹ For this sum and the other below, see p. 103.

² In October 1700, Champigny writes to the Minister saying that the whole colony, and himself in particular, are extremely obliged to him for having put them in a position to pay off their old debts due to the losses by sea, amounting to 34,337^{ll} 4s. 7d. The deficiency of 1697 was chiefly due to the expenses at Michilimakinac for provisions furnished to those fighting the Iroquois. (*Série C¹¹ I. vol. 18. p. 57.*)

expenditure made in excess of the funds each year, chiefly that of 39,033¹ 6s. 1d. in 1693, with the lack of funds caused by the losses sustained at sea in 1690, 1691 and 1692, have been the causes of the issue of card money; for I have not had other funds for all these expenditures and for the replacement of these losses. I do not believe that there is room, My Lord, for blaming me for having used this means, it having been absolutely impossible to venture otherwise, until His Majesty should be pleased to appropriate some funds, at least for all the extraordinary expenditures and the losses. I am sending you, My Lord, a statement of the amount of this money that has been issued and of the amount remaining in the country at present.

.....
CHAMPIGNY.

PROHIBITION OF TRANSPORT OF SPECIE TO AMERICA

Monday, November 23, 1699.

The Council met.....

READ IN COUNCIL the ordinance of the King, prohibiting the transport of gold and silver specie to America, dated the fourth March last,¹ being on printed paper, at the foot of which is the collation of the same made from the original by L'Epinau, Councillor, Secretary to the King, of the King's household, and of his treasury. The Attorney General having been heard, and in conformity with his request, the Council has ordered and hereby orders that the said ordinance shall be registered at the Clerk's office here, for reference in case of need.

DUPONT. BOCHART CHAMPIGNY.

PROHIBITION OF CARD MONEY

Extract from a letter from the Minister² to M. de Champigny

May 5, 1700.

I have laid before His Majesty what you have written to me on the card money to which you have given currency. He commands that the employment of it shall absolutely cease, and that, with the funds He is sending to you this

¹ See Moreau de St. Méry: *Loix et Constitutions des Colonies Françaises de l'Amérique sous le Vent*, vol. 1, p. 625.

² Jérôme Phélypeaux Comte de Pontchartrain, (b. 1674, d. 1747.) was secretary of State for Marine in succession to his father, Louis, (see note 2, p. 105) from 6th September 1699, to 1st September 1715; also Councillor to the King in all his Councils. He was appointed 29th June 1700, a member of the Council of Commerce. Under his administration of the Department of Marine there was a close relationship between that Department and the Council of Commerce.

year, you shall withdraw all that money, so that you may be able to assure me by the return of the transport *La Seine* that no more remains in the country. I leave to you the expedients which it may be necessary to employ to effect this. It only remains for me to add that His Majesty forbids you, under any pretext whatsoever to employ this kind of money in the future, and you will be under the less necessity as you will easily find it convenient to draw upon the Treasurers General of the Marine for all the amounts necessary for the subsistence of the troops, pending the arrival of the vessels, which convey to you the funds you require.

[Not signed.]

NEW RATINGS FOR COINS

Ordinance of the Governor General and Intendant re Money 24th Sept., 1700

BY THE KING

HECTOR, CHEVALIER DE CALLIÈRES,¹ Knight of the Order of St. Louis, Governor and Lieutenant General for His Majesty in New France.

JEAN BOCHART, Knight, Seigneur of Champigny, Noroy and other places, Councillor of the King in his Councils, Intendant of Justice, Police and Finances in the said country:—

His Majesty having ordered, in France, a reduction in the rating of coins, and those which are being sent to this country during the present year for the expenditure there to be made for the service of His Majesty, coming at the rate of this reduction; we, conformably thereto, have ordered, that in the future coins shall not be current except at the rates hereunder mentioned, to wit:—

The double louis d'or, of the last issue, as of preceding issues without distinction, and the double Spanish pistole, for 26^{li} 10^s each, rating in France, making 35^{li} 6^s 8^d money of this country.

The louis d'or of the same issues, and the pistole, for 13^{li} 5^s, rating in France, making 17^{li} 13^s 4^d money of this country.

¹ Louis Hector de Callières was appointed Governor of Montreal, April 1684. In that capacity he devised various schemes for the capture of New York and Albany. The latest and most ambitious was developed in the winter of 1689, shortly before the devastation of the Montreal district by the Iroquois alone. He was appointed a Knight of St. Louis in 1694. On 8th March, 1688, he was designated, by royal letter, to be commander in chief of New France in the absence of Governor Denonville; and on 4th June, 1689, he was appointed to the same relative position under Frontenac. On the death of Frontenac, December 1698, he succeeded as acting Governor, and on May 2nd 1699, he petitioned the Minister to be appointed Governor. This request had been anticipated, however, by the Court, his commission as Governor being dated 20th April, 1699. He held office until his death in the spring of 1703. Before his appointment as Governor he had several sharp disputes with the Bishop, but as Governor undertook to live at peace with the church authorities. He was accused of conniving with the *courcurs de bois* and several merchants in the district of Montreal, in the illicit beaver trade.

The half louis d'or, for 6^l 12^s 6, rating in France, making 8^l 16^s 8^d, money of this country.

The silver écu of the same issues, for 3^l 9^s, rating in France, making 4^l 12^s, money of this country.

The half écu, for 1^l 14^s 6^d, rating in France, making 2^l 6^s, money of this country.

The quarter écu, for 17^s 3^d, rating in France, making 1^l 3^s, money of this country.

With regard to the pieces of 6 sols, 4 sols, and 3 sols, 6 deniers, all at the rating in France, they shall be current at the same rate as formerly until we are informed if there has been reduction or other change.

Our present ordinance shall be published and posted up in the towns and other places of this colony, so that each individual may be satisfied as to it and may conform to it.

Done at Quebec 24th September 1700

LE CHEVALIER DE CALLIÈRES
BOCHART CHAMPIGNY

By My Lord
ANDRÉ.

The year one thousand seven hundred, the sixteenth day of October, a.m. I, the undersigned royal bailiff of the Jurisdiction of The Island of Montreal, there dwelling, did read and publish the above ordinance, to the sound of the drum, in front of the door of the parish church of this town, on the Place d'Armes, cross-roads and customary places of this city, and did post it up near to the vestibule of the door of the parish church of this town, on the notice board of the said place and in the customary places so that no one might be ignorant of it. Done the day and year above mentioned.

J. QUESNEULLÉ.

CURRENT ACCOUNTS

Colonies 15 Oct., 1700. M. de Champigny

MY LORD:

What was lacking to pay for the supplies furnished at Michillimackinac and other distant places in the year 1687, to equip and arm the French and Indians for the campaign made that year against the Iroquois, has been met partly from the funds appropriated last year, (the disbursement of which is set out in the Treasurer's statement,) and partly in merchandise from the storehouses, the distribution of which, not having been made previously, will be shown only in the accounts of the present year.

With regard to the 38,988^l 16^s 5^d, which were due for the fortifications made in 1693, payment has been made from the funds appropriated in 1699, hence the expenditures which exceeded the funds in the year 1698: but to dispose of all the debts and expenditures of 1699, it was necessary to use the surplus of the funds for the troops and some extraordinary receipts, as you

will perceive, My Lord, from the statement of the Treasurer's account that I am sending you, and from the statement in detail of all these disbursements, so that of all the old debts nothing further remains to be paid.

I expected that M. de la Ravoye¹ would replace the funds that were missing from the chest of the late M. de Verneuil, his agent, which deficiency I had supplied by the card money, but as that ceases absolutely according to the order that you have given me, making it immediately redeemable, I have in the meantime been obliged, in order to replace the deficiency of the agent, to order M. Fredin, whom I have appointed to discharge his functions, to draw bills of exchange on M. de la Ravoye for the sum of 33,142¹¹ 9. 9. for which he is indebted to him in the position which he filled of chief clerk; the amount of these bills has served to retire the equivalent in card money, which has been burned. His Majesty can rest assured, and yourself also, My Lord, that, as he does not consider it expedient, I will not in the future make any further use of this money. The extraordinary expenditures which were made for war and fortifications and losses encountered at sea, which made up part of the funds appropriated, had forced us to make use of it, and it will cease the instant the King has the goodness to provide a substitute: I believe M. de la Ravoye will have grounds for being convinced of the care that has been taken to put his payments in order. Will you be pleased, My Lord, to instruct him to pay the 33,142¹¹ 9. 9. drawn on him.²

I am sending you the statement of expenditures that have been made during the first nine months of the present year, which absorbed the fund of 80,000¹¹ which was appropriated. It includes the purchases of provisions and supplies which were made in France, of which the list is subjoined. But as the greater part of the provisions which are comprised in it, will serve for the subsistence of the troops, their value will be recovered from their pay, which will serve for the expenditures that will have to be made until next year.

I also send you, My Lord, the statement of the distribution of the 8,000¹¹ granted for the relief of the *curés*.

I will carry out what you prescribe in regard to the articles remaining in the stores, selling as profitably as possible those which have become useless to the service on account of the peace: their proceeds will be placed to the credit of the Treasurer's account, and nothing will be brought from France but what is necessary for the troops and for the works and drills with which they will be occupied. This policy I have already commenced.

[Signed] CHAMPIGNY.

Quebec, 15th October, 1700.

¹ Sr. Jean Neyret de la Ravoye was grand usher of the Court of Chancery in France, and Treasurer General of Marine at this time. Verneuil (see note 2, p. 75) was succeeded by Sr. Petit (see note 1, p. 173) as agent of the Treasurer General at Quebec. He got into trouble over the missing funds referred to, and was temporarily replaced by M. Fredin as stated.

² In another letter of the same date, Champigny, referring to the expenses of calling in the cards, states that the card money has now ceased absolutely, in accordance with the orders received. The item of 33,142¹¹ 9s. 9d. here referred to represents the cost of calling in and destroying the cards (*Série C¹¹ I. Vol. 18*).

SUPPRESSION OF CARD MONEY APPROVED

VERSAILLES, May 31, 1701.

TO M. DE CHAMPIGNY:

.....

I have been much pleased to learn that you have entirely suppressed the card money. The King will not permit the employment of it under any pretext whatsoever. The opportunities you have to draw on France for the requirements for which you must provide, pending the arrival of the vessels, will enable you in future to dispense with an expedient of so dangerous a tendency.

.....

[Not signed.]

PROTESTED BILLS OF EXCHANGE

Ordinance of M. de Beauharnois, Intendant of New France, on a petition of the merchants and settlers of the colony on the subject of the bills of exchange accepted by them to the profit of the Company of the Colony

(7 November, 1703.)

To His Lordship, M. de Beauharnois,¹ Intendant of Justice, Police and Finance in all New France.

Humbly entreat you the undersigned merchants and inhabitants of this country and point out to you that, as early as the year 1700, the late M. de Villeray, at that time agent of the King's *ferme* in this country, drew several bills of exchange for the beaver delivered to the office of the Company of the Colony² by Messrs. de la Chesnaye and de Lino,³ representatives of the said

¹ François de Beauharnois, Councillor of the King, was appointed Commissary of the King in France in 1692, and was sent out to Canada as Intendant in 1702. His jurisdiction, as usual, included Acadia and Newfoundland. He was a relative of the Minister of Marine, Jerome Phelypeaux, Comte de Pontchartrain, and was a brother of the Marquis de Beauharnois, afterwards governor of Canada. His commission was dated 1st April but he did not leave for Canada until the beginning of July, 1702. About four months after his arrival in Quebec he sent home a quite comprehensive report on the resources and requirements of the colony, with a survey of conditions at Quebec, including references to the chief officers of the government there. (See *Série C¹¹*. Vol. 20, 11th November, 1702.) He was accused in several quarters of taking advantage of his position from the first to gain a monopoly of various necessary articles, such as salt and wheat, which he turned to his private advantage. Details of the accusations against him would indicate that he had anticipated some of the characteristic methods of his more famous successor, Bigot. His conduct as Intendant being regarded as unsatisfactory he was recalled in 1705, and appointed as Intendant of Naval Arms in France. For his later connection with Canada as Intendant of Naval Affairs at Rochefort, see note 1, p. 295.

² The Company of the Colony, known officially as the Company of Canada, was a corporation which included most of the important resident merchants of Canada, and which for a time held an important place in its affairs.

In note 1, p. 57, is given an outline of the stages in the monopoly control of the external beaver trade of Canada, as well as the farm of the western domain, from the establishment of the West India Company in 1664 to the contract made with Oudiette and Company in 1675, and which they held until 1687. The lease then passed successively through the hands of Jean Franconnet, 1685-1687; Pierre Domergue, 1687-1692:

Company at Paris; they accepted the said bills of exchange, to be paid by the

Pierre Pointeau, 1692-1697, and came into the possession of Louis Guigues in 1697. During this time the grading and prices of beaver had varied considerably, the general tendency of values being downward. Owing to the quantity of low grade beaver coming in from the Illinois and other southerly regions, and which was worth little more than summer beaver, it was found necessary, in 1695, to classify the beaver in three grades, and to considerably lower the prices for the majority of it. In 1698 Guigues, for his protection from smugglers and free-traders, obtained additional restrictions on the beaver trade with France. In 1699 he sent one Daubenton de Villebois as a special agent or director to Canada to protect his interests and to propose a further reduction in the price of beaver. Against these growing restrictions and lowering prices the Canadian merchants vigorously protested to the King. After compromises had been proposed and declined by the agent, meetings of the merchants were held in the presence of the Governor and Intendant. A summary of the complaints and proceedings is given in the preamble to the regulation for the Company of Canada of 15th October, 1700. (E. et O. Vol. 1, p. 280.) As a first result, the Intendant passed an ordinance of 28th September, 1699, requiring all beaver to be sent to the agent of Guigues who would furnish receipts specifying the grade and quantity of the beaver delivered. The furs would then be shipped to France and the receipts sent over to the correspondents of the merchants there, to be paid on the basis of such rates as might be fixed by the king. A stipulation or basis of agreement was drawn up and accepted by Guigues, that in future, after allowing him his toll of one fourth of the beaver brought in, the merchants would be free to dispose of it in France in open market. At an assembly of merchants called together by the Governor and Intendant, two of their number, Sieurs Pascaud (q. v.) and Juchereau were chosen to go to France to represent to the king the condition of the country and to solicit for the colony a free beaver trade. Finding, on their arrival, that the French market was still glutted with large stocks of beaver which had accumulated in the hands of the previous contractors, it was realized that unless these could be disposed of the prospects for the trade were very poor. Such favour, however, had they received at the hands of the king, that, by royal order, it was arranged that all the beaver previously accumulated should be handed over to the hat makers of three specified cities, to be made into hats and sold only in the southern countries of Europe, such as Spain and Italy. The Canadian merchants were granted a monopoly henceforth of all the beaver sold elsewhere in France or exported to Holland, Russia and the northern countries generally. All the beaver for export, however, was to pass through La Rochelle and to be free of either import or export duties. This arrangement was embodied in an *Arret* of the Council of State of 9th February, 1700. Pascaud then brought forward a proposal that the leading Canadian merchants should form themselves into a company to take over the beaver trade. He first arranged with a representative of the farmers general to take over from Guigues the farm of Canada. He then entered into a provisional agreement with Guigues to take over the beaver he had on hand in France at 80,000 livres, as also the farm of one fourth on the beaver at an annual payment of 70,000 livres. He next arranged with a Paris firm of merchants, Gayot, Bouélet and Pasquier, afterwards changed to Gayot, Dumoulin and Mercier, (q. v.) to assume the debts of the colony and dispose of the furs of the Company of the Colony. The formation of the Company of the Colony was favoured by the King and the Minister sent instructions to the Governor and Intendant to strongly urge upon the merchants to accept these proposals; which they did. Such were the conditions attending the establishment of the Company of the Colony which undertook to conduct the beaver trade for the future. Among the special conditions regulating the company, it was specified that, as the payments for the beaver sent to France would be in bills of exchange, the accounts of the company should be kept on the basis of money of France. Only those holding twenty shares or upwards were to have a voice in the affairs of the company, or to be eligible as one of the seven directors provided for. Branch offices might be established at Montreal or elsewhere. Any merchant in Canada desiring to take part in the beaver trade must join the company. The grades and prices of beaver were fixed. It was found, however, that the great profits expected from the beaver trade were illusory. Notwithstanding all the favours bestowed upon it, the Company of the Colony soon ran heavily into debt. In spite of the arrangements made with the French trading firms above mentioned to market the furs and meet the obligations of the company, they were forced to give up the enterprise and sell their privileges and stocks of furs to the private partnership of Aubert,

directors and commissioners of Canada, at the end of the month of November, 1702: and again, in the year 1703, M. Duplessis, also Agent-General, having succeeded the late M. de Villeray, likewise drew several bills of exchange for unavoidable expenses, on the same commissioners, to be paid in June, 1703: all which bills of exchange were protested in France, on payment being refused.

This considered, My Lord, and that the protests made in France of the bills of exchange above mentioned have been sent to this country by the vessels that are come hither, with protestation of exchange and re-exchange against those of the merchants and inhabitants in whose names the said bills were drawn and endorsed to be paid, may it please you to order, to avoid all the costs with which the petitioners are threatened and to which they could be condemned, that the Company of the Colony, or its directors for it, shall provide without delay payment for the amount of the said bills of exchange drawn in 1700 and 1702, and that, to accomplish this, they shall make a by-law in their office for the security of the petitioners, the which shall next be deposited in the hands of a notary of this city, who shall give certified extracts from it to all those who shall need them, to send to their correspondents in France; which by-law shall enact, that they admit all the bills of exchange as protested against the said company, in order to avoid the costs that it would incur in having them presented, that they will pay in France without delay the principal of the said bills of exchange, the demurrage and all the costs which have in consequence arisen, and will do justice.

HAIMARD	F. HAZEUR
BERGERON	LAGARDE
LEBÉ	GARRIN (?)
PLASSAN	MARTEL
CRISPIN	PASCAUD
RIVERIN	DUNOILET

Neret, and Gayot. The transfer was confirmed by an *Arret* of the King's Council of State of 24th July, 1706, the contract to run until the end of 1716.

³ François-Mathieu Martin de Lino was appointed attorney of the King in the Provostship of Quebec 15th March, 1687; lieutenant particular of the same 1st June, 1695; lieutenant of the Admiralty 30th May, 1699. He was appointed a member of the Council at Quebec 8th May, 1702, acting lieutenant-general of the Provostship of Quebec 5th May, 1710, and became first Councillor 2nd September, 1719. He died 3rd January, 1721. He was one of the first directors of the Company of the Colony, and, together with Aubert La Chesnaye, (q. v.) was appointed, on 16th October, 1700, to represent the company in France. The affairs of the company were embarrassed from the first, and de Lino, together with La Chesnaye and Duplessis (q. v.), were soon deeply in its debt. After his return to Canada, the minister, Pontchartrain, instructed the Intendant Raudot, 1st July, 1705, to send him back to France. Raudot did not comply, however, believing that the minister had been prejudiced against him by the representations of D'Auteuil (q. v.). Raudot was rebuked in a letter of 9th June, 1706, in which the minister stated that de Lino had deceived both the Company and himself. He is to be returned at once to stand his trial, and the King will deprive him of his office as councillor. In November 1706 Vaudreuil and Raudot report his interdiction as a councillor but plead for his reinstatement, declaring him to be much the ablest member of the council. After his trial, the minister, under date of July, 1707, states that although de Lino was the chief cause of the evil condition of the Company's affairs, yet he will permit him to return to Canada and resume his place in the council. The Intendant is warned, however, that he is not to be trusted. On November 8th, 1707, Raudot reports that de Lino has been duly reinstated as councillor, and that this is regarded in the colony as his vindication against D'Auteuil.

PEIRE
J. B. NOLAN

SEBILLE
FRETET

To be communicated to the Directors of the General Company of the Colony of Canada for answer. Quebec, 7 November, 1703.

BEAUHARNOIS.

The year One Thousand Seven Hundred and three and the eighth day of November a.m. on the petition of the said above-named, I, the undersigned, Royal Bailiff, served and delivered copy of the said petition and ordinance to the Directors of the Company of the Colony of Canada in their office, by speaking to Peter de the porter, to which they have to answer immediately.

Made and left copy at the said office by speaking as declared, the day and year above mentioned.

ROGER

The Directors-General of the Company of the Colony of Canada, to whom has been communicated the petition presented to His Lordship the Intendant, by several well known citizens and merchants of this city, and which has been made known to them in the execution of the Ordinance of His said Lordship the Intendant of the seventh of this month, yesterday, say that they acknowledge that the bills of exchange due, of which mention is made in the said petition, were drawn for fair value received by the Company, and that they should have been paid at their maturity without the difficulties that the Company's Commissioners have made, as also to avoid expenses. They consent that the said bills stand as properly protested against the Company, and that the legitimate demurrage and costs be added, at the time of payment, to the principal of the said bills arising out of the beaver.

Quebec 9 November 1703.

RUETTE DAUTEUIL
PAUPERET

DE LINO
PINAUD¹
PERTHUIS²

Today the eleventh day of November, one thousand seven hundred and three, a.m. before the undersigned, the Notaries Royal in the Provostship of Quebec, there dwelling, appeared François Hazeur,³ merchant and citizen of

¹ Nicolas Pinaud, a prominent merchant of Quebec and one of the directors of the Company of the Colony. He was associated with Perthuis in the much approved settlement of the affairs of the Company of the Colony by the transfer of its assets and obligations to Aubert, Neret and Gayot (q. v.). On June 6th, 1708, he was appointed, together with Perthuis and de Lotbiniere, to examine the accounts of the Company and collect their outstanding debts. He and Perthuis also promoted the establishment of a Merchants' Exchange at Quebec, in 1708.

² Charles Perthuis a prominent merchant of Quebec (see note 1, on Nicolas Pinaud).

³ François Hazeur, an enterprising and highly respected merchant of Quebec. He was a member of the council, having been appointed to succeed La Chesnaye, 16th June, 1703. He was named by Frontenac, 22nd November, 1698, as one of the executors of his will. He was one of the merchants who in 1672 protested against the right claimed by the agent of the Company of the Indies to make an inquisitorial investigation of their trade. He entered into partnership with Jean Grignon of La

this city, who brought to us and put in our hands the By-Law mentioned above and the petition and ordinance based thereon, to be by us kept for record and to deliver two copies of it to whomsoever it shall concern, which is done and signed.

F. HAZEUR
CHAMBALON

CARD MONEY IN ACADIA

Monsieur de Brouillan

PORT ROYAL, Acadia,
25 November 1703.

MY LORD:—

.....
That of the fortifications, though slender in comparison with the general work we are doing, requires much more than the ready money which is sent to us, and this obliges me to follow the example of Canada, in making use of card money, without which I would not have been in a position to have the work carried on.
.....

[Signed] BROUILLAN¹

DISAPPROVAL OF CARD MONEY

Extract from a letter from the Minister to M. de Brouillan

June 4, 1704.

His Majesty strongly disapproves of the exceeding of the expenditure incurred last year in Acadia, and he finds it very objectionable that resort has

Rochelle, and about 1687 they began the erection of a saw mill at Malbaie. On November 8th, 1690, Hazeur presented to the Intendant Champigny a memorial regarding the timber which could be procured for the King's service from their establishment at Malbaie. This the Intendant made the basis of a memorandum to the minister, of 12th October, 1691, regarding masts and other ship timber which could be obtained from Canada. This appears to have resulted in their obtaining considerable contracts for masts and other timber for the King's service. In April, 1692, the minister reports that the masts which they had supplied are of good quality. Hazeur was one of the first directors of the Company of the Colony, 16th October, 1700. In 1704 he wrote to the minister requesting assistance towards the establishment of a seal fishery at Kamouraska. The matter was followed up by the Intendant the following year. In 1707 he took a sub-lease of the trading post at Tadoussac. He died amid fervent expressions of esteem, 28th June, 1708. Of his three sons, Jean François was afterwards a member of the council and held other responsible positions in the country.

¹ M. de Brouillan was appointed an ensign at Plaisance, the French capital of Newfoundland, 25th January, 1692. He afterwards became lieutenant there, 1694, and *garde marine* the same year. He was promoted to be a captain in 1696 and was transferred with the same rank to Acadia, where he was in command. In this latter capacity the minister states, June 4, 1704, that he has received complaints about him from all quarters, and indicates some of the specific accusations. He is told that he must send Dame Barat, with whom he is living, back to her husband, a notary at Plaisance. There was much friction between himself and other officials of the colony, especially Goutin (q. v.) and Bonnaventure. He is warned that he must not interfere with the administration of justice, the reference being to his relations with Goutin. It appears from a reference to the armament to be provided for it, that Brouillan had had a frigate of fourteen guns named *La Biche* built in Acadia, and which it appears was to be manned for local service by Canadian and Irish seamen. He died in Acadia 22nd September, 1705.

been had to card money, his will is that this money be withdrawn forthwith, and that no more be issued in future. To enable this to be done, he has sent a surplus of 10,000 livres, but he commands me to instruct you to confine yourself for the future to the funds which he has sent, without exceeding them, declaring to you that he will pay no attention to these excesses.

[Not signed.]

*Memorandum to the Marquis de Vaudreuil and to M. de Beauharnois,
Lieutenant-General for His Majesty and Intendant of Justice,
Police and Finance in New France*

.....
His Majesty is greatly dissatisfied at the new issue of card money, the employment of which is subject to so many abuses. He orders the absolute withdrawal of all those in the hands of the public, commencing with the money which remains from the time of Messrs de Callieres and de Champigny. He orders them to give the matter their strict attention. This expedient cannot be permitted except in a case of absolute and indispensable necessity, which could only occur in the case of the capture of the funds. His Majesty will direct to be sent on his account by the store ship *La Seine* only what is mentioned in the estimates of M. de Beauharnois. They should make known what has induced him to raise that question, His Majesty not having been accustomed to send anything beyond that called for by the Intendant.
.....

[Signed] LOUIS

PHELYPEAUX

Done at Versailles, the 14th June, 1704.

THE COLONY'S AGREEMENT WITH GAY, DU MOULIN AND MERCIER

Messrs de Vaudreuil¹ and de Beauharnois

November 17, 1704.

MY LORD

.....
The hope we have entertained, until after All Saints, of the arrival of *La Seine* is the cause of our not having begun until lately to go into the

¹ Philippe de Rigaud, Marquis de Vaudreuil, took over the administration of the colony, after the death of Governor Callières, from 27th May 1703, to 16th September 1705. He was formally appointed governor 1st August 1705, although congratulated by the minister on 14th June 1704, on having been appointed governor of New France. He continued in office until his death, 10th October 1727. He was a son of the Marquis Vaudreuil of Gascony, a gentleman of ancient lineage but limited means who followed a military career and was killed in battle in 1702. The son, with the title of Knight, also seeking his fortune in arms, came early to Canada. In 1687 as a cadet, at the age of fifteen years, he was in command of a raid against the Indians. He became a captain in 1689 and the same year, under a royal order of 7th June, was commissioned to take command of the troops and of the government of Canada, in the expected absence of Frontenac and Callières on their proposed attack on New York. In a military capacity he continued to gain favour. He was again in general command during the temporary absence of the governor in May 1695. In 1696 he was recommended for the Cross of a Knight of St. Louis. In 1712 he became honorary commander of this Order, and, on 24th April 1721, was awarded the Grand Cross of the Order. On the 28th May 1699, he was appointed governor of Montreal.

affairs of Sr. Riverin,¹ deputy of the colony in France. He sent by the first vessels the agreement which necessity constrained him to make with Messrs. Gay, du Moulin, and Mercier.² We have been requested by those having the

He married a daughter of Pierre de Joybert, seigneur of Marson in Champagne and of Soulange above Montreal. Gaining favour with Madame de Maintenon, and going to France in 1708, Madame Vaudreuil was employed as assistant governess of the children of the Duc de Berry. Her mother was one of the Chartier de Lotbinière family. She appears to have been a lady of considerable ability and strength of character, and her position gave her much personal influence, from which her numerous relations in Canada sought to profit. This did not escape the attention of the home government, and the minister warned Vaudreuil of the dangers attending such a situation. The King's objection to his appointment as Governor was the large family connection of his wife, which included the D'Amours, Des Plaines, and the D'Echauffours. Riverin, in one of his memoirs on Canadian affairs, maintained that the Governor was entirely ruled by his wife, whether she was in Canada or in France, and attributed to this many of the misfortunes of the colony. (See *Série C^H I*. Vol. 36. p. 384.) He did not get on well with the Intendant Raudot, (q. v.) who sent in numerous complaints against him. Vaudreuil was allowed to return to France on extended leave, 1714-1716, during which period de Ramesay (q.v.) carried on the government as administrator. Like most other high officials who held office at Montreal, he was accused of being in league with the *coureurs de bois* and their trading associates, that being the surest avenue to wealth which the colony afforded. As late as 1722 the King expressed disapproval of his conduct in this connection.

¹ Denis Riverin was connected with the service of Canada for upwards of forty years, extending from the time of Colbert to 1716. He was very active and enterprising both as a private merchant and as an official of the colony. He was a most voluminous correspondent and sharp critic of the colonial administration, especially that of Governor Vaudreuil and Intendants Raudot and Bégon. He wrote numerous memoirs, with reference especially to the economic affairs of the colony, beginning with 1685 and ending only with his death in 1717. Most of these were replete with interesting and valuable information, but they are frequently marred by evidences of strong personal animosity, occasionally bordering on mere abuse. He was a titular member of the council as early as 1694 and a regular member from 24th March 1698. As a merchant he had numerous interests in the colony, as, for instance, in the sedentary fisheries of the Lower St. Lawrence, in which enterprise he had as partner Denis de Vitré. He was specially commended by the minister for his enterprise in sending cargoes of wheat from Canada to the French West Indies as early as 1687. Naturally he was one of the first directors of the Company of the Colony. After the retirement of de Lino (q. v.) and his associate La Chesnaye, Riverin was chosen as deputy of the colony and sent to France in 1702. From that time until his death, in February 1717, he managed to hold this position, living chiefly in France. On one occasion Louis xiv, or someone in his name, appears to have made an effort to dispose of him, for on the 15th June, 1713, the king informed the governor and intendant, both of whom had suffered documentary criticism at his hands, that his mission would come to an end the following October. Riverin, however, managed it otherwise. During the earlier years of his mission he was very active in the interests of the colony and was much consulted by ministers and officials. He took an active part in the negotiations for the transfer of the beaver trade and the *ferme* of the Western Domain from the Company of the Colony to the new beaver company of Aubert, Neret and Gayot. (See note 2, p. 117.) In 1710 he was appointed lieutenant general of the Provostship of Quebec, an office which he held until his death although he practically never discharged its functions in Canada. He claimed, however, to have accomplished much for the colony in France in virtue of holding this office. The duties were performed in Quebec by Sieur Paul Dupuy, (q. v.).

² Gayot (Nicolas) Dumoulin and Mercier. Arrangements had been made with the firm of Gayot, Bouélet and Pasquier, on behalf of the Company of the Colony, by Pascaud, (q. v.) its promoter in France, to take over from Guigues the beaver which he had on hand and to receive and dispose of other beaver as sent from Canada. However, the increasing quantity of beaver coming from Canada, in the face of the growing economic stringency in France at that time, glutted the market and rendered it impossible to make profitable sales. Bouélet fell into financial difficulties in other directions and the firm had to put their affairs into arbitration and ask for a com-

largest interests, and the people generally, in the assembly which we convoked, to represent to you that this agreement is unacceptable to the Company and the colony, particularly on two capital points which are entirely inimical to the well-being of this country, viz: that the new Commissioners are required to pay annually only to the amount of 170,000¹ in bills of exchange, although the annual returns from the beaver amount to nearly 200,000 livres, and (secondly) that they bind the Company to furnish them every year eighty thousand worth of dry and Muscovy beaver, excluding the fat beaver, that otherwise they will accept bills of exchange only in proportion to the amount sent, which if that took place would ruin all the affairs of this colony. As the assembly was composed almost entirely of the families of Messrs d'Auteuil and Aubert, the other associates having returned to Three Rivers, and as it is known that they have been intriguing to be sent as deputies to France, we were requested by the directors, those associates who are in Quebec, and all honest men in this country to choose, ourselves, a deputy who was a recognized man of honour to represent to you frankly the condition of the country. To this end we cast our eyes upon M. Pascault,¹ a merchant much esteemed. As

promise, which was apparently granted. Bouélet and Pasquier retired. Gayot wished to continue the undertaking if new partners could be found and better terms arranged. He found the new partners in Messrs. Dumoulin and Mercier, and the new terms were arranged with Riverin, as indicated. The partners were known as the commissioners or factors of the colony. In the agreement the most essential condition was, that the partners should not be required to take beaver to a greater value than 150,000 livres annually. It would therefore be necessary to restrict the Canadian trade within these limits. Interest at eight per cent was agreed upon for advances on the past obligations of the Company of the Colony. When the terms were made known in Canada much discontent was expressed, especially with reference to the restricted supply of beaver and the high rate of interest. When, however, on the arrival of the new intendant, Raudot, 1705, the conditions attending the agreement were explained, and in view of the critical financial situation in both France and Canada, the critics were silenced. Vaudreuil, on behalf of himself and the leading citizens acknowledged that the terms were quite as good as could be anticipated. It was recognized that the arrangement relieved the colony of its debt and ensured payment of the bills of exchange, which the officers of the Company had been unable to meet. Gayot's second firm, however, found itself unable to sustain the contract entered into. By the middle of 1706 a new arrangement was made. Under this the Company of the Colony was eliminated, and all its rights and obligations were transferred to the new firm of Aubert, Neret, and Gayot. A letter from Gayot, of 22nd January, 1713, explains with some detail his relations with his partners, Dumoulin and Mercier. (See *Série C*¹ I. Vol. 34. p. 138.)

¹ Sieur Pascaud, also given as Pascault and the modern form of Pacaud, was a successful merchant of Quebec. As indicated, he was one of the two delegates elected by their fellow merchants to go to France, apparently towards the close of 1699, to represent to the Court the actual condition of the colony and to protest against the policy and measures of the *fermiers* of the Western Domain. Having secured the freedom of the beaver trade for the Canadian merchants, Pascaud conceived the idea of forming a company of the leading merchants of Canada to carry on the beaver trade with France. In pursuance of this we find that he arranged with Sieur Roddes of His Majesty's *ferme*, or customs, the terms on which might be obtained the *ferme* of Canada on behalf of such a company. He then made arrangements with a firm of Paris merchants, Gayot, Bouélet and Pasquier, to take over and dispose of the Canadian furs. The company was duly formed, but from the beginning its affairs began to drift into financial embarrassment. A joint letter, towards the close of 1705, from Governor Vaudreuil and the outgoing and incoming intendants, Beauharnois and Raudot, stated that the deputies of the colony in France had not reported to Canada for about three years; hence, supported by the leading merchants, Vaudreuil and Beauharnois had deemed it necessary to send over Sieur Pascaud as a special agent to inquire into the actual conditions of the trade. For incurring this expense, amounting to 6,000 livres, they were rebuked by the king, and required to

he understands the trade thoroughly, and knows the true interests of the country, he will be able, My Lord, to answer your questions on all matters which you will do him the honour to enquire about, and we beg you to afford him the honour of your protection against those whom our selection of him may make his enemies. The Directors have declared to Sr. de Beauharnois that they were without the power of paying the charges levied on the King's account this year. This has caused so great a commotion, that, in order to quiet the complaints of the officials of the towns, the country people whom the priests threaten to abandon for lack of support, the poor invalids whom the hospitals have until now assisted, and whom they can no longer receive, merchants whom the religious communities refuse to pay, not having received the gratifications which the King had the goodness to grant them—on all these considerations we have been obliged, in order to pay two thirds of the King's accounts, to draw bills of exchange on the Treasurer of the Marine in France for 54,000 livres, being two thirds of the said account, and to issue card money, subject to the pleasure of the King and your own, to meet the remaining third of the said account. In order to differentiate these bills of exchange from those which the agent of the Treasury draws on the funds for the troops, I have ordered him to draw them payable in the months of June and July, in the hope that before that time M. Pascault will be able, with the honour of your favour, to arrange matters so as to provide for the acceptance and payment of his bills for the relief of the Treasurer who might withhold from us these funds. We also beg you, My Lord, to give orders that the cards issued for the payment of the remaining one third of the account may be drawn on the funds which it may please you to assign to us.

M. de Beauharnois had the honour to observe to you by his letter of last year¹ that the Directors, not being able to pay the amount of their obligations owing to the lack of return from their lease, on which, from the account which he has seen for the last four years of the receipt in cash, there was a loss of over 300,000 livres, he had arranged to lend them the sums necessary for this payment in the hope of being reimbursed. And, for that purpose, he requested, even more urgently than the late M. de Callières, a general account, not only of the lease but of the products of all the posts, so that the whole country might understand the essentials of this business. But having been

have at least one half of the allowance refunded. It was admitted that, when explained, the new arrangements made with Gayot, Dumoulin, and Mercier were quite satisfactory. In 1716 Pascaud was again employed, together with M. Le Clerc, (q. v.) to arrange terms with Neret, Gayot, and Company for the continuation of their lease, which would expire the following year. The merchants of Montreal protested vigorously against the proposed terms of the new lease, claiming that they were arranged to suit the local interests of Quebec. Other Canadian protests coming in, the lease was not renewed, but the trade was transferred, on January 1st 1718, to the new Company of the West, covering all the American colonies of France. Among his mercantile enterprises we find that, about 1705, Pascaud proposed to take masts and other timber from Canada to France. In 1710 he held contracts for supplying flour to the military and naval establishments of Quebec, Acadia, and Plaisance in Newfoundland. On some of his contracts, especially for Ile Royale, he was particularly unfortunate. In July 1715, the Minister refers to some of his losses as being of such a nature as to entitle him to compensation. In January 1716 he was granted an indemnity of 3,824 livres.

¹ See *Série C¹¹ I*, Vol. 21: 15 Nov. 1703.

informed by Messrs de Lotbinière and Delino that their principal clerk, who considered himself supported by one of the directors, did not push forward the work, in spite of the orders they had given him, towards the end of December he brought M. de Ramezay who commanded at that time at Quebec, to the office of the directorate; and, having had the directors summoned, he began in their presence to put in execution an inventory of all their papers, which were found in such bad order that it was then recognized that they could never have an adequate statement. M. de Beauharnois would have at once made some change in the method of administering this business, if such administration had not been confirmed by a decree of the Council of State.

M. Riverin not having despatched last year a vessel to the *Baie du Nord* to carry supplies to the garrison, who were destitute of everything, both military stores and food, Messrs Vaudreuil and Beauharnois were again obliged to issue card money which they lent to the directors to enable them to fit out the King's vessel *l'Attalante*, taking pledges from them for the security of the King's funds on the return cargo which this vessel should land in France, which we beg you, Monseigneur, to order M. Bégon to have sold on His Majesty's account in order that the returns on the sale may serve to retire the cards of which there are still some remaining. The directorate which had been accustomed to draw annually nearly 140,000 livres in bills of exchange, has not drawn anything this year.

.....

[Signed] VAUDREUIL BEAUHARNOIS

Quebec 17th November 1704

MELTING OF COINS BY DE BROUILLAN

I

PORT ROYAL, December 8, 1704.

MY LORD

.....

I have refrained as far as possible from having any hand in the card money which is issued here. I have taken no part in it except for the first 4000 livres. As for the 6000 livres issued this year I have neither signed nor affixed my seal to them, which has entailed on me many hardships. I have redeemed cards to the amount of 10,295 livres 10 sols. It is not believed that more than exactly 10,000 livres were issued. Bills of exchange have been drawn for the whole amount.

There will be much embarrassment in future in the commerce of the country when there is no more money. That which has fallen into the hands of M. de Brouillan and of M^{re} Barat has been melted and converted into silver plate. I have been informed that on the first occasion there were melted thirty two marks. What is certain is that one Pidart, goldsmith, and lance corporal of the Boularderie company has worked continuously from the ninth of December, 1703, until the month of July in making silver plate, that he has been relieved of service during this time, that he has had to make at the expense of the King, in the establishment of M. de Brouillan where he works, a furnace, a bench, iron moulds, forms and several other things for his use; they say that he has only melted dollars, indeed one sees no more of them and

very little other silver. They have even made crosses of St. Louis and other jewels from louis d'or, and piastres have been enhanced in value, for fear, they say, that they may leave the country.

.....

[Signed] GOUTIN¹

II

June 3, 1705.

TO SR LOPPINOT²

I have received the letter you wrote to me on the 14th of the month of December last.

I have informed M. de Brouillan that he had done wrong in having shillings and dollars melted to make plate. He assured me that he was unaware that it was forbidden, and that there would be no further cause for complaint against him on that score, even though the coins should be of foreign countries. It is no more permissible to melt these than those of France, and you must prosecute those who may fall into such an irregularity in future.

.....

[Not signed.]³

¹ Mathieu de Goutin was, in 1704, agent of the treasurers general in Acadia, in association with Brouillan, (q. v.) who was in command. Between them there was a bitter feud, as indicated in the correspondence of each with the minister. Goutin came apparently from Paris, and in 1683 was a member of a company or partnership interested in the fisheries of Acadia. He was first selected for office, 31st March 1687, when, under private letters from the king and Colbert, he was appointed to the office of king's councillor and lieutenant general of the regular court of Acadia. These papers were registered in the council of Quebec 29th November, 1688. (See E. et O. Vol. 2. p. 122.) He wrote a memoir on Acadia in 1690, which was rather unfavourable to the priests. The same year he was recalled to France to give an account of his conduct, having been accused of pillaging the treasury. Of this charge, Subercase, (q. v.) succeeding to the command after the death of Brouillan in 1705, quite exonerates him. He returned to Acadia in 1693 as attorney general, and was connected with the finances of the colony from 1700. He was keeper of the stores in 1702 and royal scrivener in 1703. In 1704 he was suggested by the minister as a suitable officer to adjudicate on naval prizes when taken to Acadia. The same year he was commissary, with the right of entry to the council, and, under date of 6th June, required by the minister to attend councils on war. He was appointed a judge, in 1704, with appeal allowed to the council of Quebec. He had issued card money in 1703, of which, in June 1704, the King had strongly disapproved, and it is in reply to this that he makes his defence as above. Further correspondence on this subject is given below, 6th June, 1708, and 29th December, 1708 (see pp. 179, 181, 189). He reports, towards the close of 1708, that he finds it difficult to live upon good terms with Subercase, the officer in command. After the loss of Acadia he was appointed scrivener at Ile Royale, 1st January 1714, and a councillor there 22nd April, 1719.

² Sieur de Loppinot was a judge of one of the courts in Acadia. He was selected as a delegate from the Acadians to represent their circumstances and wishes to the minister. They were particularly desirous, in 1705, that M. de Bonnaventure should be appointed to succeed Brouillan as governor; and that they should be paid for their services which had been commandeered by the latter; also that Sr. Loppinot should make all purchases of merchandise for the country. In December 1708 Loppinot, writing to the minister, complains of the disorders which are rampant throughout the colony, and asks for himself the grant of a seignior, which was later accorded him.

³ This letter is from the minister, Pontchartrain.

SEIZURE OF BEAVER FOR PAYMENT OF BILLS OF EXCHANGE

VERSAILLES, June 10, 1705.

To M. RAUDOT¹

I am writing to M. Bégon² to cause the beaver now at La Rochelle in the hands of M. Fleury,³ merchant in that town, to be seized as security for the 54,000 livres which M. de Beauharnois has had drawn upon M. Fontanieu⁴ for the payment of the amount of the charges of last year, which M. de Beauharnois wrote me should be collected from the product of these beavers. But before sending it to you, I am pleased to send you his statement and to learn your opinion. You will find it enclosed, please return it to me after you have read it, with your opinion.

The only inconvenience that may occur is that the beaver may be sent to Holland this year, and that the 200,000 livres of bills of exchange drawn on those to whom they have been sent will realize nothing before the return of the first vessels. But that does not appear to me to be serious; it seems to me, on the contrary, that it will be all right, because if it be true that these 200,000 livres are not due for the furnishing of the beaver, but for other expenses

¹ Jacques Raudot was appointed Intendant of Canada, 1st January, 1705. He did not enter upon his duties at Quebec until 17th September. Meantime he was very fully occupied with Canadian affairs in France, where, for the time being, the chief interests of the colony were centred, owing to the financial difficulties of the Company of the Colony, and the negotiations in progress for its relief. (See note 2, p. 129.) On February 28th 1705, the minister asks him to see Riverin, (q. v.) for the past two years agent for the colony, and Pascaud, (q. v.) recently arrived from Canada, and after hearing their evidence and views to submit a report to him. The report was duly presented on March 10th. Before his departure for Canada he was supplied with numerous other memoirs, petitions, etc., took part in the arrangements with Gayot and partners, and was able to fully explain the situation and terms to Vaudreuil and the merchants in Canada, and thus to allay their growing fears that the interests of the colony were being sacrificed. In the office of intendant he was assisted by his son, Antoine Denis Raudot, who returned to France in the spring of 1710, the King having announced to him, on 10th May of that year, that he had been appointed, on the 31st March, intendant-general for the enrolment of seamen. The Raudots were near relatives of the minister, Pontchartrain, and, according to various reports, were supposed, in consequence to have enjoyed undue influence. It is certain, however, that Raudot senior was a very zealous and enterprising official, and that, owing to the critical position in which both France and Canada were placed during his administration, he had a very difficult situation to fill. In addition to very numerous special despatches, he submitted an annual report on the chief events of the past year and the general condition of the colony at the close of it. The difficulty which he experienced in getting on amicably with Vaudreuil was partly due to his irascible temper, on the evil effects of which his friend the minister occasionally remonstrated with him. The relations between governor and intendant not improving, the minister, writing to them jointly, 10th May 1710, stated that the King was very much displeased at the increasing friction between them, and announced that provision having been made for the son, Raudot senior was to be replaced next year by Bégon, the inspector general of marine. When this announcement reached him, Raudot reported to the minister that he had surrendered his powers into the hands of d'Aigremont, (q. v.) who was then commissary or controller in Canada, and had acted as deputy for Raudot on special occasions. After his return to France Raudot was appointed to the office of commissary of marine.

² Michel Bégon was at this time inspector general of marine in France, and in charge of the King's ships and marine stores, etc. at La Rochelle. He was afterwards appointed intendant of Canada. (See note 1, p. 231.)

³ M. Fleury was a prominent merchant of La Rochelle, who handled most of the beaver from Canada and Hudson's Bay, which was reshipped for Holland and the northern countries of Europe. (See Note 2, p. 117.) He was prominent in Canadian trade matters in 1707 and 1709.

⁴ Moise Augustin de Fontanieu was treasurer general of the marine from 27th October, 1701 to 23rd November, 1710. He sold the office, as in accordance with custom in those days, and was appointed a councillor.

incurred in the country, comparatively unimportant, it is necessary to determine to what they are due, and that can be done only by you when you are on the ground. In remitting the returns from these bills, we will pay with full knowledge preferably the bills which were due for the supplying of the beaver, and we will provide for the others at a later period, if indeed they must be paid.

[*Not signed.*]

PAYMENT OF DUTIES IN MONEY OF FRANCE

Ordinance enacting that customs duties on spirits, wines, etc., are to be paid in money of France; 7th September, 1705

BY THE KING

JACQUES RAUDOT, Councillor of the King in his Councils, Intendant of Justice, Police and Finance in New France.

On that which has been represented to His Majesty that the customs duties on spirits, wines, and tobacco, out of which are payable the fixed expenditures of the country, are paid only in money of Canada, and that the said fixed expenditures are paid in money of France, WE, by virtue of the power to us given by His Majesty,

Order that in future and reckoning from this day, the said duties shall be paid in money of France: and the present Ordinance shall be read, published and posted up where need shall be.

We order our Subdelegates to have it carried out in all particulars according to its form and tenor.

Done and ordered at our Palace at Quebec, the seventh September, one thousand seven hundred and five.

[*Signed*] RAUDOT

EXCESS OF CARDS OVER FUNDS

M. de Ramesay

Quebec, 12 Oct. 1705.

MY LORD

.....
I believe, my Lord, that it is necessary for me to give you notice, that there are here many more cards than there appear to be funds to retire them, which some day will cause much trouble and confusion. More than one hundred thousand livres have been declined, the Treasury refusing to give bills

of exchange for them. This brings about an obvious injury to the merchants and to trade.

[Signed] DE RAMESAY¹

Quebec, 12 October, 1705.

CONDUCT OF THE DIRECTORS OF THE COMPANY OF THE COLONY

Quebec 19 October, 1705

M. Raudot

MY LORD

I had the honour, My Lord, in regard to the cards left in this country by M. de Champigny, to make known to you that all the consideration I can bestow as to the funds of this and the following years and the profit which the goods may produce, will be employed as you have ordered, My Lord, to retire the cards, amounting to 48,876^{ll} 10^s 11^d, which were issued by M. de Champigny for his Majesty's service in this country. The remainder of the cards which he issued are due in part by the Company and in part by private persons. M. de Monseignat, Controller of the Marine, is charged with this recovery. I will see that he accomplishes it.

The Directors of the Company of the Colony have explained to us what gave rise to the suspicion as to their conduct when they were accused of having drawn bills of exchange in France for the beaver of 1703.

¹ Claude de Ramesay was administrator of the colony during the absence of Vaudreuil in France, from 1714 to 1716. He was first appointed a lieutenant in Canada, 5th March 1685, and promoted to be a captain, 1st March 1687. He was appointed governor of Three Rivers, 1st July 1690. According to an order, issued 28th April 1697, on any military expedition he was to take rank above all other captains. On 28th May 1699, he was promoted to be commandant of troops, and was made a Knight of St. Louis, 1st June 1703. On May 15th 1704, he was appointed governor of Montreal, which position he held until 1st July 1723. The minister, in announcing to him his appointment, stated that he had urged the Governor and Intendant to give due weight to his opinions on military matters. The year following, however, the minister found it necessary to rebuke him for putting himself at the head of a cabal against Vaudreuil and Beauharnois. From this time on, with a few intervals of comparative peace, friction continued to develop between Ramesay and Vaudreuil, the hostility including the intendant who happened to be in office at the same period. De Ramesay was a son-in-law of M. de La Chesnaye, and was closely related also to the families of D'Argenteuil, D'Aillebout, and St. Vilmay. He was thus connected with some of the strongest commercial and military families of the colony, most of whom were involved in cliques for or against the chief officers of the government, and thus fomenting trouble between them. In 1711 the minister regards de Ramesay as the chief cause of the disorders in the colony, resulting from mutual strife and jealousy. De Ramesay had suggested, apparently in 1711, the inclosure of Montreal within walls, the difficulties of which are discussed by the king, but the project was afterwards carried out. In 1707 he was commended by the minister for having built a house for himself at Montreal, and for erecting a saw-mill there. He was employed in 1721-22 in having prepared and sent to France masts and other ship timber from the Upper St. Lawrence. Like others connected with the governorship of Montreal, he was interested in the fur trade, and even petitioned that he should be granted special trading privileges at Kaminstigaya. He was informed that this would be quite inconsistent with his official duties. He died in August, 1724.

By the agreement which the commissioners¹ made with the colony in 1700, they were obliged every year to pay the bills of exchange which might be drawn for all the beaver brought to the bureau in Quebec, and by the same agreement made between them, it is provided that the Directors should send them each year at least 80,000 pounds of beaver. In consequence of these two clauses it has resulted that sometimes the amount to be sent, being only 80,000 pounds and the receipts being more, they have paid bills of exchange for beaver which was not sent to them the following year, but bills were not drawn for the beaver for which they had already drawn. That is what happened in 1704. Bills for 186,558¹¹ 14^s were drawn, of which there were 151,793¹¹ 10^s for the beaver furnished by private parties, and 35,065 for the beaver belonging to the Company, furnished by the posts and *ferme* of Tadoussac. This beaver made up the entire receipts of the year 1704. What was sent of the beaver marked "1703" was joined to this shipment for assortment, but bills for this portion were not drawn because they had been drawn the year before. This investigation we made in accordance with what I have the honour of informing you, My Lord. Being persuaded of the truth of this, you cannot avoid, it seems to me, cancelling the seizure made by your order.² The beaver which has been seized, belonging to those who brought it to the bureau and to those who supplied either their goods or their labour for the posts operated by the Company, furnished the value of the bills of exchange which were given to them.

It appears to me indeed that it would be just to order the commissioners to pay these bills of exchange to the amount of 150,000 livres, although part of them have been taken up. The risk no longer affects the private parties who presented them when they have been placed in charge of the Company and the commissioners:—on whose faith the private parties brought their beaver to the bureau of the Company, it being obliged to pay that amount every year. My son who has examined carefully what the Company did, does himself the honour of sending you a memorandum in which all the shipments and receipts of beaver are detailed.

[Signed] RAUDOT

Quebec 19 Oct, 1705.

ORDINANCE RATIFYING CARDS

JACQUES RAUDOT, etc.

Believing that on our arrival in this country it is necessary to ratify the cards issued by the Governors General and our predecessors, we have ordered, and hereby order, that all cards of whatever sort, that are signed by the Governors General and the Intendants, our predecessors, shall be received in trade, with penalty of 100 livres fine against those who will not receive them and the present ordinance shall be read, published and posted up in the towns

¹ The firm of Gayot, Bouélet, and Pasquier and their successors Gayot, Dumoulin and Mercier who undertook to dispose of the beaver and meet the obligations of the Company of the Colony, were known as commissioners or factors. (See Note 2, p. 117, and Note 2, p. 129.)

² See the minister to Raudot, 10th June, 1705, p. 139.

of Quebec, Montreal and Three Rivers. We hereby order our sub-delegates, lieutenants-general and others subordinate to us to see to it that this present Ordinance be carried out.

Given at our palace at Quebec, this 24th day of October 1705 [*Signed*]
RAUDOT

DESTRUCTION OF CARDS

Statement of Cards issued by M. de Callières and de Champigny, late Governor and Intendant, in the year 1702, which have been returned by M. de Monseignat, Controller of the Marine, arising out of the payment that was made him by M. Hazeur, and for which he gave his receipt. These were counted and then burned in the presence of the Marquis de Vaudreuil, Governor General of this country, of M. Raudot, Intendant and of M. Duplessis,¹ Treasurer of the Marine, the latter having signed and issued the said cards.
 To wit:

83 cards of 32 livres making	2656
63 " " 16 " each making	1008
318 " " 4 " " " "	1272
16 " " 40 sols making	32
32 " " 20 " " " "	38
	5000

In the year 1705, 29 November, the above cards, amounting to the sum of 5000 livres, money of the country, were brought in by the said M. de Monseignat and burnt in the presence of us, the undersigned, and of M. Duplessis by whose hand they were signed and who identified his signature and that of M. de Champigny and his paraph. The present official minute is made to serve as a discharge to M. de Monseignat, charged with the recovery of the cards made by M. de Champigny in the year 1702. Done at Quebec at the Palace, the day and year above written, and made out in quadruplicate of which one is given to the Governor General, another left in the office of the Intendancy, another given to M. de Monseignat for his discharge and the other sent to M. Duplessis who signed the said cards.

[*Signed*] **RAUDOT.**

RATING OF FOUR SOL PIECES AND OF SOLS

Ordinance enacting that pieces of four sols shall be current in this country for four sols, and sols of any kind whatsoever for fifteen deniers.
 5th December 1705

JACQUES RAUDOT, ETC.

Having been informed that the coins which are commonly called pieces of four sols, and old, are current in this country for only three and one half sols,

¹ M. Duplessis was only agent at Quebec of the treasurer of the marine. (See note 1, p. 89.)

and that also a different value is given here to sols, and being persuaded that it is convenient to give them, as well the said pieces as the sols, the same rating as such varieties of money have in France;—

We order that the said pieces of four sols shall be current in the whole extent of this country for four sols, and other sols of any kind whatsoever for fifteen deniers. We enjoin our lieutenants-general and our sub-delegates of the cities of Quebec, Montreal, and Three Rivers to see to the carrying out of the present ordinance and to have it published and posted up everywhere where need shall be, so that no one may be ignorant of it.

Given in our Palace at Quebec, the fifth December, one thousand seven hundred and five.

Signed: RAUDOT.

(1) EXPLANATION OF THE ISSUE OF NEW CARDS. (2) THE COLONY'S DIFFICULTIES WITH THE COMMISSIONERS OF THE COMPANY

Common Letter of Messrs. de Vaudreuil, de Beauharnois and Raudot to the Count de Pontchartrain, in 1705.^a

MY LORD

.....
Messrs de Vaudreuil and de Beauharnois have the honour to represent to you, My Lord, that the necessity in which they found themselves to pay the amount of the obligations of the country for the year 1704, and to lend to the Directors¹ various sums for the repayment of the amounts which the Treasurer of the Marine had advanced to them for the payment of the amount for 1703, has obliged them to resort to the expedient of issuing cards in the hope that the Directorate would have made repayment as they promised. As these cards have been used only for the payments of the accounts of the King, M. de Beauharnois begs of you, My Lord, to be good enough to give orders to M. Raudot to procure the collection of the hundred odd thousand livres which are due to the Company by Guigues² lessee of the Western Domain, and of the returns which the property the Company holds in the posts may produce, which amount, approximately, to the sum of forty thousand and thirty eight livres, six sols, three deniers.

M. Raudot has the honour to reply to you in a private letter regarding the cards left in the country by M. de Champigny.

M. Raudot, My Lord, together with Messrs Vaudreuil and Beauharnois, has issued an ordinance to exclude fat beaver,³ commencing next year, and to prevent the Indians from furnishing any more of this beaver. They will send to the missions in the early spring to notify the Indians not to bring any more of it to trade in the colony. That cannot be done this year; all the merchants have traded in good faith with the Indians for fat beaver and would have been absolutely ruined if they had not accepted it. That is why they have been given bills of exchange which My Lord is implored to have

^a Since the above was printed, the date of this letter has been found to be October 19, 1705.

¹ Directors of the Company of the Colony.

² See note 2, p. 117.

³ See p. 143.

⁴ See *Archives du Palais de Justice de Montréal, Collection en feuilles*: Notice by the Intendant, Jacques Raudot, that after October 10th, fat beaver will be no longer taken (17th September, 1705).

accepted by the factors.¹ With respect to dry beaver, Messrs de Vaudreuil, Raudot and de Beauharnois have not deemed it for the welfare and security of the colony that they should restrict them, seeing that the French merchandise is very dear, owing to the high freight and excessive insurance charges which have been caused by the war. After peace they may be able to restrict the beaver, because in then rating them at 30 sols, the Indian will have as much goods as he has at present when the beaver is at 40 sols, for the merchandise also will fall considerably in price.

There are many different opinions on the sending of beaver this year, the first being, My Lord, to send it to order, the second to take only notes from the office here, and when the beaver is in France it could be offered to the factors for bills of exchange, or their commission being paid, they might grant liberty to have it sent to Holland. This expedient appears a good one. But the fear which the merchants have of the risks of the sea, and that Guignes knowing that the charges have not been paid in this country might seize their beaver at La Rochelle, has caused them to change their minds, as also the duty of one fourth which they must pay if they sold the beaver on their own account, which the trade cannot stand. Again, My Lord, it would have been rather hazardous for the country if the merchants had taken this step, since, not having any bills of exchange, it looked very much as if they would have received nothing in return; it would have been much worse, My Lord, if they had kept the beaver here as they planned to do by reason of the fears above mentioned. It is not certain that they will undertake the beaver trade for next year; but for the year 1707 they would not undertake it at all, finding no bills of exchange in France no one would send them any goods. This would cause an entire cessation of the beaver trade with the Indians, which we are obliged to carry on and maintain in order to have peace with these races and to keep them with us. For if we did not carry on this trade, which causes them to realize their dependence on beaver, they would entirely abandon us, and go to procure their goods among the English, who by inciting them against us would bring about a very cruel war against us, which the colony is not in a position to sustain.

They have reverted to their first opinion, and are loading all their fat beaver on the King's vessels, on which you have had the goodness to grant them freight. Bills of exchange will be drawn, as usual, for 150,000 livres. They beg you, My Lord, and we beg you on their account, to be good enough to have them accepted by the factors and to prevent Guignes from seizing this beaver for the lease, for if these bills are not accepted or if the beaver is seized, the merchants will not be able to procure any merchandise to carry on this trade next year. It would be a terrible calamity, My Lord, in this country, if this should happen, the Indian restless and the merchant ruined, and without the means to satisfy him. They rest all their hopes on your justice and on your protection, My Lord, on which also we place all hope for the country, which without it is absolutely unable to sustain itself.

The merchants here, My Lord, have represented to us that there is a quarter of the bills of exchange drawn upon the factors in 1703, which they have declined to accept. They know nothing as to the reason. It is true that by the second contract² the factors are obliged to meet only 150,000 livres but

¹ Or "commissioners" (See note 1, p. 145).

² See note 2, p. 117, and note 2, p. 129.

they have not as yet information of that contract here. It is true that there was in the amount of 200,000 livres, one of 56,357 livres 15 sols drawn in bills of exchange, which the Company has used both to pay the employees at the posts and to purchase merchandise for the said posts.

M. Raudot can assure you, My Lord, that he has examined the details of these goods which are charged only at the price current in the country. In the bills of exchange there is included the sum of 3,500 livres for the brigantine which Monsieur de Lino has sold to the Company. Messrs de Vaudreuil, de Beauharnois, and Raudot after enquiry of several individuals can assure you that an offer of an equal amount was made on behalf of some merchants, who wished to buy it. If we believed, My Lord, that the factors could have any other reasons for not accepting the balance of these bills, we would endeavour to satisfy them, but since we do not believe that they have others, we beg you, My Lord, to cause them to be accepted.

The merchants of the country have also requested us to beg you, My Lord, to replevy the seizure which you caused to be made, for the revenue of His Majesty, of the beaver sent in 1704, which are in the possession of M. Fleury at La Rochelle. M. Raudot has the honour to observe to you in his private letter that part of this beaver belongs to private individuals who brought them to the bureau, and part to the Company which has drawn bills of exchange on them for the payment of the employees at the posts and for goods which they were obliged to send there, and which have been purchased at the price current in the country. We are constrained, My Lord, to beg you to induce the factors to accept these bills of exchange for 200,000 livres, at 80 many sols to the livre, up to the sum of 150,000 livres; since the individual who brings his beaver in good faith to the bureau, and who is convinced that the beaver will be insured by the factors in France, should incur no sea risk, even though the vessel which carried part of it had been lost.

We are persuaded, My Lord, that you will take into account all these considerations, and that you will always continue to extend to this country, the protection which you have been so good as to accord to it, of which there is much need. And this deserves your attention the more My Lord, that if you cannot see your way to secure the acceptance of the balance of the bills of exchange for 1703, with those for 1704, and those which will be drawn on the consignment for this year, the failure to accept the bills will bring the trade of Canada with France to an end, and in consequence will stop the trade of Canada with the Indians, and you may judge, My Lord, in what jeopardy the colony will stand.

To extricate the colony from its difficulties with the factors, a plan has occurred to us, which might succeed. It is to give us liberty to permit individuals to take their dry beaver to the bureau; or better to send it to La Rochelle in the name of the factors, to whom they will pay the commission for the sale of it in Holland for the account of the merchants of this country.¹ By this means, if the beaver should realize a price equal to that which prevails here with the Indian, the merchant would dispose of all his beaver in this manner, and would contract no new debts with the factors. The beaver

¹ By a decree of the Council of State, of 25th April, 1706, the stock of beaver which was at La Rochelle was to be removed to Holland, in accordance with the newer arrangement with the company formed to purchase it. This was the company of Aubert, Nérét, and Gayot; Aubert being a wealthy merchant engaged in foreign trade, with headquarters at Amsterdam. (See note 1, p. 193.)

as you know, My Lord, is subject to a tax of one quarter; if you would be disposed to reduce this tax to 5 sols a pound, this merchandise might pay it and the merchant would agree to it.

You may be quite sure, My Lord, that the merchant will send all his beaver to Holland to liberate the colony from the factors, if you would be good enough to reduce the duty from a quarter to 5 sols per pound of beaver, and prevent Guignes from seizing their beaver for the lease.

We request of you the privilege of having it received at the bureau. We could make use of it, in case a merchant, learning from Holland the year following, that his beaver had been sold there at a very low price, does not wish to continue trade with the Indians, by assuring him that they will take it over at the bureau and give him bills of exchange as usual.

We beg, My Lord, on behalf of this country, that you will continue the favour which you have just granted, of allowing the conveyance of the beaver in His Majesty's vessels; we can assure you that it requires everything to enable it to survive.

[Signed]

DE VAUDREUIL
DE BEAUHARNOIS
RAUDOT.

ROYAL DISAPPROVAL OF CARD MONEY

King's Memorandum to Messrs the Marquis de Vaudreuil, Governor and Lieutenant General and Raudot, Intendant of New France

His Majesty strongly disapproved of the expedient employed by Messrs de Vaudreuil and de Beauharnois of issuing cards to pay the expenditures of 1703 and 1704, and of making thereby His Majesty creditor to the colony for 160,000 livres for a matter which does not concern him, and His Majesty desires that means be found to have the amount reimbursed.

His Majesty has no knowledge of the 100,000 livres due to the Company by Guignes. If this debt is valid the proposition to employ it to retire these cards is also sound. But in this case it will be necessary to commence with the oldest, which are those of the time of M. de Champigny, and afterwards retire those of M. de Beauharnois. It is necessary that Messrs Raudot should prepare a statement of all the cards, to know exactly what they amount to, in order to devise accordingly a plan for their repayment.

Done at Marly the 9th June 1706

Signed LOUIS and, lower down, PHELYPEAUX./

MEMORANDUM ON THE CARDS OF CANADA

The cards which are issued in Canada serve as money just as coin does in France.

The Kingdom of France derives a certain utility from these cards, since, by this means, the King is not obliged to send funds in coined money for the expenditures which he has the goodness to incur. If it were necessary to send this, it would withdraw from the Kingdom annually 100,000 écus. Consequently this currency leaving the country would render money scarcer. It is true one would not appreciate this disadvantage during the abundance of money, nevertheless it is certain that it would effect a diminution. Moreover, France by this device, not sending coined money, runs no risk as to it either from the sea or from enemies.

If coined money were sent to Canada, it would afterwards leave the country by two avenues, one part would return to France, the other would go to New England to purchase certain merchandise, which may be had cheaper from there than from France. The part of this money returning to France would run the risks of the sea and of enemies. The vessels may be taken or lost, and consequently the money they carry is lost to France, and there can be no greater injury to the Kingdom than the loss of its money.

The other part of this money being carried to New England for the purchase of merchandise, results in a considerable injury to France by the loss of its coinage and the advantage which it would produce among her enemies.

At present the Kingdom of France runs no risk either from the sea or from her enemies, as regards her money, none being sent to this country. The cards they have there serve as money, and procure bills of exchange on France.

Furthermore, there is no fear that money may be carried to New England, which would be very difficult to prevent if there were any in the colony, there being there as in France persons who to gain something will risk much.

It is even a matter of policy for kings to attach the prosperity of their subjects to their own persons, in order to render the former more submissive and to take care that all the means which the colonies may have in money are always in the kingdom on which they are dependent. Canada, having nothing but cards, which are secured only on the word of the King, and seeing no other resource except in the good faith of its sovereign, will be still more submissive to him and still more attached to France for the reason that all the supply it can have in money depends on it. Hence, it appears to me that one cannot do better than to permit the continuation of the card money in Canada.

There may arise great abuses regarding these cards, they may be counterfeited in the country; this, however, can be prevented by close attention, the easier to be bestowed as the resources of every person are known. Counterfeits may also be sent from France and so exactly imitated that one cannot distinguish the true from the false. That it is almost impossible to do here, there not being clever enough people of that type. But even if there were some counterfeits they could not remain long without being recognized. To prevent this abuse one has only to change the dies, and the shape of the cards every year after the departure of the vessels for France.

It is true that the colony of Canada will suffer somewhat by these cards, it being quite certain that it will buy French merchandise cheaper if it pays

for them in coined money and not in cards, for which the merchants receive only bills of exchange which for the most part are not met at maturity. But it is proper that the colony of Canada should suffer for the sake of the kingdom from which it receives all its benefits, and it is only fair that this kingdom should run no risk of losing its money by the possible loss of its vessels bound for it [Canada].

Done at Quebec, the 30th September, 1706

RAUDOT.

(1) THE NEW COLONIAL CONTRACT

(2) RESTRICTION OF ISSUE OF CARD MONEY

Common Letter:—November, 1706

MY LORD

.....

The whole colony, My Lord, was convinced on the arrival of Messrs Raudot and of M. Pascaut,¹ that the contract you concluded with the agents was not too advantageous for them; they [*the colonists*] did not know of the scarcity of money, and believed that it was still quite plentiful in France.

The contract of which you have sent us a copy, My Lord, is quite as advantageous as could be made at the present time, it frees the colony from all its debts, and assures the payment of its bills of exchange. We thank you in the name of this colony for the continuation of your protection over it, which fully appears in the negotiation of the contract.

We beg you to be assured that we shall give all the orders necessary to have it executed in all its range.

.....

Messrs de Vaudreuil and Raudot have the honour to assure you that they will issue no more card money for the payment of the account of charges, and that they will not increase the number of those now in the country. They have been obliged on the representations of the inhabitants of this colony, to issue some small ones of 2 livres and 10 sols, but having burnt an equal number of those of Messrs Champigny and Beauharnois, this will not increase the number.

Messrs de Vaudreuil and Raudot have the honour to represent to you that the greater part of the cards issued by Messrs Callieres and Champigny are worn and defaced by long usage. They beg you, My Lord, to let them know if you desire them to withdraw all these cards, and in their place issue new ones which they will put in circulation, and burn all those of M. de Champigny.

Messrs de Vaudreuil and Raudot will endeavour as far as possible to collect from the Company what it owes, and to the extent to which they receive any of it they will devote it to the repayment of His Majesty, but it

¹ See note 1, p. 131.

[*the Company*] cannot entirely clear itself, until it pays its expenses, which it is not obliged to do until 1709.

M. Duplessis, the agent, will have the honour to inform you, My Lord, of the claim of the colony against Guignes. In accordance with your orders, Messrs Raudot will not fail, in case they should retire some money from the colony, to commence by burning the cards of M. de Champigny.

They will have the honour of sending you next year, an account of all of those which are in the country, and at the same time to inform you of what can be done for their repayment.

[Signed]

VAUDREUIL

RAUDOT, RAUDOT

NECESSITY FOR CARD MONEY IN ACADIA

MY LORD

It is nearly two years since the circulation of card money ceased in this country, which has given us much trouble, having been obliged in default of it to give notes to settle with first one and then another, to borrow and to make use of the deposits which individuals have entrusted to me. Among others, one of 1,000 livres belonging to M. de Pontchareau¹ which M. de la Boularderie² had left with me for the outfitting of a ship, and which

¹ Apparently M. de Pontchareau was one of those associated with Boularderie (q.v.) in one of his enterprises in Acadia and Ile Royale.

² Louis Simon le Poupet de la Boularderie came out to Acadia with the favour of the Court, and although in the King's service he intended apparently to engage in trade. On 3rd June, 1705, the minister promised him a free passage, including his wife and domestics. He went out alone, however, and received special grants of land at Nespatagan. Returning to France a couple of years later, he brought out his wife. His father-in-law was also in Acadia and suffered losses from the British raids at Minas Basin. He left the King's service in 1709 and refused an offer to re-enter it some twenty two years later, in 1731. In 1713 he was in command of a vessel chartered to carry troops and provisions from Quebec to the garrison at Ile Royale. He refused to take payment in the paper money of Canada, but Vaudreuil came to the rescue with his own credit. The sequel to this is given below p. 349 (see *Série B*¹, Vol. 8-2, p. 444). In 1716 he referred to the losses sustained on the card money which he received in 1714. He offered, in 1719, to establish a settlement for carrying on fisheries at Ile Royale. He had in view the formation of a company, afterwards successfully organized, which would establish a hundred settlers and a hundred fishermen the following year, and fifty more the year following, on condition of being allowed the use of a king's vessel. The offer was accepted and a formal agreement made out, 8th February, 1719. (See *Série B*, Vol. 41.) The land granted included an island at the entrance of Lac Brador, about seven leagues in length, together with the main land facing it to the south-east. He was also granted exclusive fishing privileges in the port of Orleans, formerly Niganiche, together with the use of the king's ship *Le Paon* for two years, on condition of employing one hundred fishermen. The orders for these grants and privileges are dated 15th February, 1719. Officials in France and Canada were instructed to afford him all possible facilities in developing his fishing establishment. He had more difficulty than anticipated in making a successful beginning within the time specified. His company, however, was duly organized and the establishment

I must return at once in specie. I had on my hands the arrears for three companies for 1704 and 1705, which your Lordship had given orders to deduct from the product of the cargo valued at 15,000 livres sent out for the relief of the country, which amounted for the two years' arrears of the three companies to 7496 livres. On the arrival of the vessels, I owed only 109 livres to the company of St. Vincent which I paid, although the clerk who sold this cargo has never given me more than 42 livres in money. It produced 13310 livres 10s and 2d, all losses deducted. There was consumed for the needs of the King's service the amount of 1227¹ 13^s 4^d. Individuals in this country still owe a sum of 3641¹ which I shall make it my business to have paid. M. de Subercase¹ to whom I rendered an account of this cargo has promised me to write to M. Bégon to find out what is to become of the 3000 livres which have not been used of the 15,000 livres. M. de Vanolles² who is in office for the present year has kept the remainder of our funds in France. M. de Subercase, having no means for carrying on the operations of the King and meeting pressing needs, declares that it is necessary to issue 6000 livres of card money. I told him of the prohibitions and the wishes of your Lordship. He told me it was an absolute necessity and that he would write to your Lordship about it and that he believed you were too just to disapprove of that, since, moreover, he could withdraw them at once.

[Signed] DE GOUTIN

Port Royal, 22nd December, 1706.

brought into operation. Their product was exempt from the usual duties on cod-fish. Reports of his progress are found from time to time and seem to have satisfied the authorities, down to 1732 at least. In 1734, however, troubles developed between the shareholders, and the following year, April 5th, 1735, Boularderie is reported as forming a new company to set up a ship-yard at Ile Royale.

¹ Daniel d'Auger de Subercase succeeded Broullan (q. v.) in command at Plaisance, Nfld., 1702. He succeeded him again as governor of Acadia, 10th April, 1706, having been appointed a Knight of St. Louis in 1705. He had been a captain in Bretagne in 1684, and came to Canada with that rank, 3rd February, 1687; was made a *garde marine*, 1st January, 1693, and rose to the rank of major, 15th April, 1694. There were charges against his administration at Plaisance which he was asked to explain, July, 1707. The same year he repulsed an attack by the English on Port Royal, for which he received much praise and a gratuity of 2,000 livres. He was a shareholder in the Company of the Colony of Canada, and he and De Ramesay were the only ones who made any payment on their shares. He endeavoured to interest the merchants of Nantes and other French industrial centres in the trade of Acadia. On 30th June, 1707, the minister urges him to prevent the priests from interfering in the civil government and other temporal matters in the colony, of which complaints had been made from several quarters. In the same despatch he is commended for opening a fortnightly communication with Vaudreuil in Canada. In 1708 he is instructed to send coal from Ile Royale to the marine department in France, and Bégon, the inspector general, is asked for an official report on the coal sent over. In 1715 coal from Ile Royale was made free of duty in France. He was in command at Port Royal when it was captured by the English, the articles of capitulation being signed by himself and Nicholson, 13th October, 1710. The following spring he was instructed to go to Canada and place himself under the orders of Vaudreuil.

² M. Barthelemy de Vanolles was one of the two treasurers general of the marine who held office in succession. He was engaged in this capacity as early as 1700, and as late as 1712, and was referred to in 1717 as lately deceased. When his accounts were examined he was found to be in arrears to the treasury, which sought to recover the amount from his son. Petit (q. v.) was his agent at Quebec.

PROHIBITION OF ISSUE OF NEW CARDS

I.

VERSAILLES, 30th June, 1707.

[TO MESSRS RAUDOT]

.....

It would have been desirable for you to have been able to dispense with the issue of new card money between 10 sols and 40 sols, but since you have been obliged to do so at the request of all the inhabitants, you have done well in burning an equal amount of the oldest cards. I shall expect by the return of the first vessels the statement I asked of you, of the total amount of cards at present in the country. To determine it exactly it is the desire of the King that all the economies, which may result from the funds, and the profits which the goods may produce, may be employed in retiring them, commencing with the oldest. You must govern yourself accordingly, but it is absolutely necessary that for the future you refrain from issuing any.

I had counted on you having last year a large return from the salt which was sent to you and that you would have employed it in reducing these cards. It is annoying that the salt should have wasted so considerably as it has done, on account of the quantity of water which the transport which carried it took in during its voyage.

I expected, also, that those having interests in the Company of the Colony of Canada would have furnished the funds in proportion to their interests, or at least have given security for their payment, and it is very unpleasant just now to have to prepare His Majesty for the loss of all that he has lent to the colony. He desires you to send to me a list of all the shareholders, indicating opposite their names those who are in a position to pay, and those from whom nothing is to be expected. You must however press every individual by every means, to pay what he owes. He has not deemed it proper to accept your suggestion to make a present to the colony of all that it owes His Majesty, on condition that the cards may be employed always as money in Canada, because he wishes absolutely to abolish this money, while by this proposal it would be perpetuated.

.....

[Signed] PONTCHARTRAIN

In the margin in another hand: The King alone suffers by this account. H. M. gives too much to Canada and is neither able or willing to give in this way a bounty of 300,000 livres. I am astonished that this should come from an Intendant, in place of his securing payment to His Majesty, which should be his first care and upon which the King insists.

II.

King's Memorandum to Messrs the Marquis de Vaudreuil, Governor and Lieutenant General, and Raudot, Intendant of New France

.....

His Majesty has explained to them that he would not allow them to increase the quantity of card money now circulating in Canada, and that it is his will that they do all they can to retire these cards, commencing with the

oldest, which are those of the time of M. de Champigny. It would have been desirable for them to have dispensed with issuing the small denominations from 10 to 40 sols, but as they have been obliged to do this by the requests of all the inhabitants, they have done well to burn cards of the oldest issue to an equal amount. Since those which were issued by Messrs de Callieres and de Champigny are worn and torn by long usage, His Majesty approves of their issuing new cards in their place, as they propose, but only to replace the first. They should draw up an exact report of the quantity to be issued and of that to be replaced. His Majesty decidedly forbids them to issue any beyond that amount, under any pretext whatsoever. He will be very much displeased with them if they should act contrary to what has been prescribed for them in this connection. His Majesty has approved of the proposition they made, of meeting the cost of making this money out of the cards which have not been returned and which appear to be lost, and they have only to give it effect.

They will find herewith a memorandum,¹ from which they will see the expedient proposed to diminish by degrees the card money until it has been entirely withdrawn; the proposals appear good, and His Majesty desires that they conform thereto. But if any inconvenience should arise, they should report upon it by their first letters. They should observe that it is His Majesty's will to be reimbursed for all that is due to him by the colony of Canada, and that they must thus make it their serious business to have him repaid, and he is very pleased to inform them that next year he will have sent to them in cash, what remains due, thus they should act promptly in having the repayment made, which His Majesty has so much at heart.

His Majesty desired that the Messrs Raudot should be able to send a correct statement of the total quantity of cards which are at present in the country in order that he may know it exactly; he expects to receive it by the first vessels which return from Quebec, and that they will at the same time inform him of all that can be done for their repayment.

.....
Done at Versailles, 30th June, 1707.

[Signed] LOUIS
PHELYPEAUX

DISAPPROVAL OF CARD MONEY IN ACADIA

VERSAILLES, 30 June, 1707.

TO M. DE SUBERCASE

SIR:—

.....
His Majesty approves of your having borrowed a thousand écus from M. Bonnaventure² to pay the workmen who have worked all year, you have

¹ This memorandum is not enclosed, nor has it been found elsewhere.

² Sr. Michel Bonnaventure was apparently from Picardy. He appears to have come to Acadia in connection with the fleet, in 1695, as we learn of his frigate having an encounter with the English in that year. After the Treaty of Ryswick instructions were issued to himself and L'Hermite, 1697, for the administration of the affairs of Acadia. The following year he had a conference with Villebon, in command in Acadia, and L'Hermite as to the rebuilding of the fort at the mouth of the St. John river. In 1701 he was in command in Acadia until the arrival of Brouillon (q.v.) when he reverted to the position of second in command. When Brouillon died in 1704 he once more succeeded to the command in a provisional capacity and gave much satisfaction to the civilian element in the colony. The priests, however, strongly opposed his permanent appointment on the ground, according to civilian report, that he prevented

simply to return these, but he disapproves strongly of your having issued card money to the value of 6000 livres. He desires that you withdraw it immediately on the receipt of this letter, and he forbids you imperatively, under any pretext whatsoever, to have any more issued in the future. You have neither the power nor the authority to do this. Let me know by the return of the vessels whether you have withdrawn all this card money, and I would advise you for the future so to regulate your affairs that you will never exceed the appropriations, especially as we are not in a position at present to make refunds. Acting as you do, you will incur the displeasure of His Majesty and render those whom you have employed liable to lose what is owing to them, which you ought to avoid with all possible care.

.....
[Not Signed]

LOSS ON OLD CARD MONEY

VERSAILLES, August 10, 1707.

TO MESSRS NERET AND GAYOT¹

I have received the letter which you wrote to me on the 2nd of this month. I am sorry for the contretemps which you mention having had respecting the old card money which you hold, and a quarter of which you cannot dispose of without a loss falling on you. But that does not come within my sphere, it is to M. Chamillart² that you should address yourselves.

[Not signed]³

their undue interference in secular matters, but, from their own reports, on the ground of gross irregularities in his private life. There being apparently good ground for the latter accusation he was passed over and Subercase (q.v.) was appointed. In reply to his letter of 24th December, 1706, expressing disappointment at not succeeding to the chief command, the minister informed him that his private life alone prevented his succession as governor. Subercase speaks well of him in his public capacity. Like many other Acadians in high official positions, he was accused of trading with the English. After the capture of Port Royal by the English, in 1710, Bonnaventure submitted various plans for its recapture, but they were not carried out. He died in Acadia in 1711.

¹ See note 1, p. 193.

² Sr. Michel de Chamillart (b. 1652-d. 1721.) was Controller General of Finance from 5th September, 1699, to February, 1708, having succeeded Pontchartrain (q.v.) in that office. He was a Councillor in Ordinary, and a member of the Royal Council. He had been Intendant of Rouen in 1689, and was promoted to be Intendant of Finance in 1690; and from 1701 to 1709 he was Secretary of State for War, thus holding two of the most important offices of state from 1701 to 1708. He was a man of good principles and charming manner and was much in favour with Louis XIV. Although he had no desire to hold either of the great offices of Controller General of Finance, or Minister of War, yet he was prevailed upon by the King to accept them. Being a man of very moderate abilities, he was most unfortunate in holding these offices while the finances of France were steadily sinking, while at the same time the drain upon the national resources was steadily increasing, necessitating the most irregular and unpopular methods of raising funds. Chamillart naturally became the chief object of a rising public discontent and indignation. So great did the all-but universal outcry against him become, that he was forced to give up the ministry of finance, February 1708, and that of war the following year. He retired amid the general execration of all who did not know him personally. His skill at billiards, like that of Nero with the violin, contributed much towards prolonging his unfortunate popular reputation.

³ This letter is from the minister, Pontchartrain.

LOSS ON BILLS OF EXCHANGE

Letter from Messrs Raudot written to the Count de Pontchartrain.

QUEBEC, Nov. 11, 1707.

MY LORD:—

We have received the letter which you have done us the honour to write to us, dated June 30 of this year.¹ We can assure you, My Lord, that we live with M. de Vaudreuil in a perfect understanding, and that we work in concert with him in endeavouring to rehabilitate the affairs of this country which are greatly disordered; the low price of beaver and the small trade which is carried on here are the least of the ills of the colony. It is the bills of exchange which are not paid in France, except in currency notes,² on which one must lose 50 per cent. to obtain cash, which ruin it entirely and alienate the Indians by the dearness of our goods; these are evils for which there can be no remedy until the peace. All our attention is devoted to keeping the Indians always on good terms with us, which cannot be done without outlay or some presents from His Majesty.

[Signed] RAUDOT
RAUDOT

OBJECTIONS TO BILLS OF EXCHANGE ON PARIS

Messrs Raudot's Letter to My Lord, 12 November, 1707, Quebec.

MY LORD:—

We will execute, My Lord, the orders which you give us on the subject of the memoir which M. de Fontanieu transferred to you.³ We will have the bills of exchange all drawn on Paris in the months of September, October, November and December; with regard to the provisions to be furnished to the King's vessel, we will have bills for them drawn by the agent for provisioning the King's vessel. We doubt whether these bills will be accepted, these agents for provisions being persons without means, and without authority

¹ See p. 165.

² Among the financial expedients to which Chamillart and the French treasury were driven by the desperate financial conditions to which France was being reduced in the last years of the reign of Louis XIV, was an indefinite issue of currency notes. As a new expedient, which seemed to stimulate trade by the additional circulation which was afforded, they were at first fairly well received. But their gross over-issue destroyed their usefulness in circulation, and they passed in time into almost complete discredit, thus throwing the finances in general into great disorder. When Chamillart retired, in 1708, the currency notes were almost worthless. The effect upon Canada of making payment in this paper money on Canadian bills of exchange and for salaries payable in France, may be imagined, and will account for the numerous protests, first voiced in this document but repeated in others which follow, as for instance *Série C¹¹ VI*, Vol. 3, p. 342 (November 12, 1707), p. 281 (November, 1707), etc.

³ On June 30th, 1707, the minister sent to Raudot a copy of de Fontanieu's memorial with reference to the bills of exchange. *Série C¹¹ VI*, Vol. 2, p. 64.

to draw bills; still the King's crews must be fed without our knowing how to make payment for the provisions to the person who has furnished them.

We beg you to order the purveyors to be good enough to provide in the future for the payment of the provisions of which they have need here.

It has always been the practice in this country to have bills for provisions for vessels drawn on the Treasurer General, who obtains repayment afterwards, through the purveyor. This was done last year but M. de Vanolles informed M. Petit,¹ his agent, that he would allow these bills to be protested. We beg you, My Lord, to be good enough to order him to accept them, it not being just that persons who have furnished goods in good faith should be delayed in their payments.

We consider ourselves bound, My Lord, to represent to you that of all the merchandise which comes to this colony, not a quarter is brought from Paris, that all the rest comes from Bordeaux and La Rochelle; and that, as a consequence, the merchants are being ruined by the exchange on the bills which are given them on Paris.

And as these bills, My Lord, are payable only after the departure of the vessels from France for this colony, if you are not disposed, My Lord, to order the Treasurer to accept them on presentation, it will be impossible for the merchants to bring out goods next year, no person being willing to supply anything on a bill which is not accepted, while, being accepted, by sacrificing a considerable part of it the money can be found.

We represent to you also, that the periods for the payment of these bills are so remote that we are afraid that the merchants can obtain no goods, which is a matter of much consequence with regard to the Indians, and it is necessary for the welfare of this country that they be drawn payable, part in June and part in July, half of them on Paris and half on La Rochelle.

[Not signed.]

LOSS IN SALARIES PAID IN CURRENCY NOTES

Private letter from Messrs Raudot

QUEBEC, November 12, 1707.

MY LORD,

We cannot thank you too much for your kindness in giving the directions necessary to have all our effects embarked. We have learned from M.

¹ Sr. Jean Petit apparently went out to Acadia in 1703, since the minister gives him instructions, dated 4th July, 1703, as to the services to be performed by him on his voyage to Acadia. He was appointed by Vanolles, Treasurer General of the Marine, as his agent at Quebec, serving from 1706 to 1708. In 1709 he returned to France. In 1714 he was back in Canada again, having received a grant of land on March 5th of that year and which was confirmed 5th May, 1716. He was again appointed to serve as agent for M. Gaudion, (q. v.) Treasurer General of the Marine. He continued to discharge this function until his death in 1720. An extensive theft of card money was made from his office in 1716, and which the Council had under consideration in January, 1717. On July 5th of the same year the Council of Marine announced to the Governor and Intendant that they had secured for him a reimbursement of the amount stolen from his office. On July 1st, 1718, he was appointed a member of the Council at Quebec, and died February 24th, 1720. He was not a trained accountant, and on

Fleury all the obligations we owe to you on that point. As we have experienced, My Lord, that you are never weary in attentions to our welfare we hope that you will do us this favour again next year.

Permit us also to beg you to be good enough to give directions to the Treasurer General of the Marine to pay us our salaries in cash. We can assure you that they are much reduced when they are paid in currency notes, on which, in order to have our provisions brought here, we are obliged to lose from 40 to 50 per cent. They are by this means so small that, although we add to them from our own means, we cannot even with that live here. We are, My Lord, in a sad situation by reason of these notes on which we lost last year 3000 livres, and this year we shall lose at least as much. Pardon us, My Lord, for entering into these details. The kindness which you have shown us on all occasions leads us to hope that you will be good enough to grant us the favour which we have the honour to request of you, and of believing us with very profound respect.

[Signed] RAUDOT RAUDOT

GENERAL ASSURANCES AS TO CARD MONEY

Common Letter written to the Count de Pontchartrain by Messrs de Vaudreuil and Raudot, Quebec, the—November 1707.

MY LORD

.....
The affairs of this country are in a rather critical condition. This misfortune arises partly from the paucity of trade which is carried on, owing to the low price of beaver, and partly from the payment of bills of exchange in currency notes, which renders goods very dear. Messrs de Vaudreuil and Raudot are seeking every means possible to remedy all these evils, but it is peace alone which can bring the remedy.

Messrs de Vaudreuil and Raudot will ever give all the directions necessary for the execution of the agreement made with M. Aubert, to the fullest extent. The agreement, My Lord, has saved the colony, has secured the payment of its debts, and assured its commerce for the future.¹

They will have shipped this year in the King's vessel the remainder of the fat beaver, and the return of dry beaver. They have the honour to thank you on behalf of the whole of the colony, My Lord, for the acceptance by M. Aubert of all the bills of 1704. It is an evidence of the protection which you have been so good as always to extend to this country, and the continuation of which Messrs de Vaudreuil and Raudot request of you.

November 10th, 1721, Bégon, Intendant, reported to the Council of the Marine that he had left his accounts in much confusion, and did not appear to have been acquainted with the real nature of his duties. When his accounts were ultimately straightened out it was found that he was indebted to the Treasury to the extent of 27,900 livres, which amount was refunded by his widow.

¹ See note 1, p. 193.

Messrs de Vaudreuil and Raudot have caused to be paid to M. Pascaud¹ the sum of 6,000 livres, the same as has been paid to the other deputies to France. This man left his whole business in this country, to make a journey to France, on behalf of the Company of the Colony, at the solicitation of Messrs de Vaudreuil and de Beauharnois, and part of those interested in the Company. But since you find, My Lord, that the sum of 6,000 livres is too much for this journey, they will reduce the amount to 3,000 livres, and have the surplus repaid.

Messrs de Vaudreuil and Raudot have the honour to assure you, that in the replacement which they will make of the cards of M. de Champigny, they will not increase the number of them: they will have the honour of sending you the reports which they make on these reissues. They will charge to the cards which have been lost the cost of preparing this money. Messrs de Vaudreuil and Raudot have received the memorandum in which is set out the plan for diminishing by degrees the cards in this country. These cards, My Lord, are owing by the King, for the amount of the expenditures of 1704, by private individuals and by the Company.

The cards for which His Majesty stands indebted will be retired when the excess of M. de Champigny has been disposed of, which Messrs de Vaudreuil and Raudot will endeavour to effect by the saving which they are making in the funds of His Majesty.

Those due for the public expenditures of 1704 will be retired by the payment which the lessees of the Western Domain make on this account.

We are proceeding with the collection of those owed by private individuals; already some have been received, which have been burned.

As regards those owing by the Company, it hopes to be able to repay them from the claims it has on Guigues² and the former factors.

Should it be necessary, My Lord, to have recourse to the expedient proposed for the retirement of these cards, it could not be put in operation at the present time, because the merchants lose considerably on the bills of exchange, which are partly paid in currency notes on which they lose one half.

They have the honour to represent to you, My Lord, that the appropriation of funds on the debts of the Company³ would be very bad, the greater part of those belonging to it having no property; moreover, My Lord, they cannot be obliged to pay their quotas until 1709, the period at which the Company expires.

Messrs de Vaudreuil and Raudot hope, My Lord, that you will be good enough to continue the same funds which you have had the goodness to grant every year to this colony.

Messrs Raudot have the honour to attach to their private letters, the statement of the cards which are in this country. With regard to their reimbursement they cannot make any other observations than those they had the honour to make to you already.

.....

[Not signed.]

¹ See note 1, p. 131.

² Lessee of the Canadian *ferme* when taken over by the Company of the Colony, 1700. (See note 2, p. 117.)

³ The Company of the Colony.

SMALL CARDS: COPPER COINAGE, ETC

Versailles, 6th June, 1708.

.....
 It were much to be desired that you had been able to dispense with issuing new cards of small denominations to serve as money. I am persuaded that you will execute exactly the order I have given you carefully to devote yourselves to reducing the quantity of these cards, and it is His Majesty's absolute will that you should desist from making any at all in future. I have found the account of them you have sent me excessive. [p. 119]

.....
 I have observed what you inform me as to the action you have taken in requiring the agent of the Treasurer of the Marine to issue notes for the half of the funds he should have on hand for their repayment, on the arrival of the ships going to Quebec this year, this course having appeared necessary to you to sustain trade without involving His Majesty.

It seems to me that these are merely new cards you are issuing under another name, contrary to the absolute prohibitions which have been imposed on you: I am not pleased with the scant attention you give to carrying out the orders you have received as to that.

I may appropriately observe to you that, at a time when everything is amiss in this country and when there are arrears of two or three years for the expenditures incurred at the front, you claim that Canada should be paid in cash. [p. 134]

.....
 There has been no means of allowing this year the increase in funds which you ask for the purchase of supplies for Canada, and further, His Majesty is far from desirous of continuing the same expenditures for a country which produces him nothing, but which is such a heavy burden to him: Hence you must apply yourself to decreasing every expenditure as much as you can.

I have written to Monsieur Bégon to have your effects put on the ship *L'Affriqain*, if there is room. However, it is your own business to provide for the transport of all you arrange to bring from France, His Majesty paying you for it.

With regard to the request you make to be paid your salary in specie; I am anxious to do you all the favour I can, but the funds of the Marine are so poorly provided that I am forced to consider the Treasurers; thus you will have to make your terms with them for your payment.

I have proposed to the said Treasurers to pay the bills of exchange drawn on them from Canada, in the months of May and June, as you propose, in order to provide the merchants of Quebec with the means for bringing out goods by the ships leaving at that time. I am convinced that they will do what they can to assist the merchants, but times are so difficult that one can depend on nothing. [p. 140]

.....
 I have received several memoranda from M. Duplessis,¹ on methods for rehabilitating the affairs of the colony of Canada; he proposes, among other things, to wind up the Company of the Colony, and to procure for the inhabitants facility in their trade by having issued in lieu of the card money four hundred and fifty thousand livres of copper money, which would be

² See note 1, p. 89.

current only in Canada. I have directed him to send to you a copy of this memorandum,¹ and to give you an account of his views on the subject; I beg you to examine them closely and acquaint me afterwards with your opinion in detail on the proposal itself and on the manner of giving it effect; and, above all, do not overlook the objections to it which may be met with, and the means there may be of surmounting them. [p. 146]

I never knew that the agents of the Treasury of the Marine were in the habit of taking one per cent. on bills of exchange which they drew upon their superiors; you were very remiss in permitting it, and must notify them that His Majesty will have them punished if they continue this abuse. [p. 147]

PONTCHARTRAIN

DISAPPROVAL OF INCREASE OF CARD MONEY IN CANADA

King's Memorandum to Messrs de Vaudreuil and Raudot

VERSAILLES, 6th June, 1708.

His Majesty has explained to them that he strongly disapproved of their increasing the quantity of card money already in Canada, and desired that they should do all in their power to retire these cards, commencing with the oldest. They must conform precisely to what has been laid down for them on this head and report as to what they do, taking care, in the substitution which they make for the cards which can no longer be used, to make note of the expense of issuing the new ones which they are obliged to make.

They are to observe, also, in the replacement of the old cards which they are obliged to make, to give an exact report of the quantity which will be issued, and that which will be replaced. His Majesty strongly forbids them to issue more under any pretext whatsoever, and he will be greatly displeased with them if they act contrary to what has been prescribed in this matter.

Done &c.

¹ This memorandum has not been found. In a letter from the minister to Duplessis, of 9th June, 1706, he acknowledges two letters of the 17th and 24th October, 1705, in which apparently Duplessis had set forth his scheme for a special copper coinage. In reference to this the minister observes, after referring to other impracticable measures, "What you propose with regard to the money has no more practicability"—*Série B.* Vol. 27-3, p. 612. Various proposals on this subject had been made from time to time. The first occurs in the anonymous memorial of 1663, (see p. 9.) then various plans in connection with the American Colonies generally, under the direction of the Company of the West Indies (see pp. 17, 25, 35, etc.).

PROHIBITION OF CARD MONEY IN ACADIA

VERSAILLES, 6th June, 1708.

TO M. DE SUBERCASE

SIR:—

.....

I have already informed you that His Majesty had disapproved of your having issued card money, because you have neither the power nor the authority to do so. He desires positively that you should withdraw it, and forbids you on any pretext whatever to have any issued in the future, in whatever position you may find yourself.¹

.....

[Not signed]

CURRENCY NOTES TO BE REDEEMED

*King's Memorandum to S^r de Vaudreuil, Governor and Lieutenant-General,
and to S^r Raudot, Intendant, of New France*

His Majesty is pleased to learn that the merchants of Canada are taking all possible measures to augment their trade; it is to be hoped that business will recover and that trade will not be so burdensome as it has been during these last years on account of the currency notes; on what remains of them there is at present very little loss on their conversion into specie,² moreover all the bills of exchange drawn for beaver will be paid in specie only.

.....

Done at Versaille the 6th June, 1708.

[Signed] LOUIS
PHELYPEAUX

¹ In a letter to Sr. Goutin (q.v.) of the same date, the minister states that he does not agree with him in his opinion that de Subercase could not avoid issuing further card money, and states that he is writing to him to have the cards withdrawn and no others issued under any pretext whatever. He wishes Goutin to report whether his order is carried out. (See Série B, Vol. 29-5, p. 1268.)

² This unfortunately, was very far from the truth. Although Chamillart early in this year had been replaced at the Treasury by Desmarests, it was with great difficulty that the latter was able to even partially rehabilitate the treasury notes, which were then almost worthless, by having them accepted in part in subscriptions to certain loans to the government on the Tontine system, as, also, in part payment for new coins, in the proportion of one to fifty, to induce the return of the old coinage for re-minting.

CARD MONEY IN SMALL DENOMINATIONS

Private letter of Messrs Raudot

QUEBEC—October 1708.

MY LORD

.....

We cannot avoid, My Lord, issuing from time to time small cards, which passing through many hands become defaced and worn more than the larger ones: it is the only money there is in this country, there being no other, the small French coins which came formerly, such as 4 sol pieces and sols marqués having all returned with all the coin which was here. Messrs Raudot would be glad not to be obliged to issue it. Its preparation causes them only trouble and embarrassment, because they must sign all these cards and have them stamped, but the need which the public have of them, on account of the cessation of business with the inhabitants which results when there is no money, obliges them to take all this trouble. They can assure you, My Lord, that when they issue small cards, they burn as many of those of Messrs Champigny and Beauharnois, which are most defaced, so that there results no increase in the cards. [p. 367]

.....

Messrs Raudot will take up with S^r Duplessis the memoranda¹ which he had the honour to send you respecting the restoration of the affairs of the colony. The plan he proposed of issuing a copper currency appears subject to a great abuse through the quantity of it which may be sent from abroad, and one sees no precaution to prevent it. [p. 402]

.....

Messrs Raudot have the honour to represent to you that in 1705, M. Raudot the elder issued an ordinance² in accordance with your wishes, which makes the duties which are paid to the King's *ferme*,³ on wines, brandy, and tobacco, payable in money of France, and not in money of the country, as formerly. This was for the purpose of procuring something extra to pay the amount of the obligations of the country with which the colony was charged; since that time the *ferme* has changed hands. The *fermiers* of the Western Domain have retaken it and made a new lease.⁴ Messrs Raudot learned these facts only from you and in a public way, the said *fermiers* not having the consideration for them to write to them, nor to send them their lease, in which there is reason for believing, since they have not done so, that they are to receive the duties only in money of the country. It does not appear just, My

¹ See *Série C*¹¹ VI, Vol. 2, p. 118 (6th June, 1708) and note 1, p. 181.

² The preamble to this ordinance points out that the import duties on brandy, wine, and tobacco, were being paid in "money of Canada", while the appropriations made from this fund were paid on the basis of "money of France", in accordance with the royal instructions. Therefore, the Intendant ordains that henceforth the said duties must be paid on the basis of "money of France". The ordinance is dated 7th September, 1705. (See E. et O. vol. 2, p. 257.)

³ The *ferme* represented the taxes or duties, whether of excise, import or export, or any other exclusive rights of the King, such as the monopoly of trade at a post, the supplying of certain services, or the manufacture and sale of certain articles of trade. These were commonly leased, either singly or in groups, or for districts, to the highest bidders, and the lessees were known as *fermiers*. As we have not any sufficiently exact equivalent in English to the various grades of the *fermes*, and hence of the *fermiers*, it has been considered advisable to retain the French terms.

⁴ The new *fermiers* were represented in Canada by Monseignat. (See note 1, p. 93.)

Lord, that these *fermiers*, obtaining considerable profit in other ways, since they have been only too happy to take the *ferme* of the Western Domain on the same footing as they had it, although they sought at first a great diminution, should profit in a matter in which this colony although poor and miserable has been obliged to pay the levies. One cannot discuss this matter thoroughly without seeing all the papers which relate to it, which they beg you to order the *fermiers* to send them. If they can claim the duties in money of France because they pertain to those of the Company [of Canada] they would not be due to them beyond the first of September of next year;¹ if, on the contrary, such duties are not due to the *fermiers*, we might take what they have received in excess, considering the difference between the money of France and that of the country, in reduction of that which the Company owes the King.

Messrs Raudot await your orders, My Lord, respecting this matter, next year, and beg you to be good enough to restore the duties in this country as they have been in the past. [p. 419]

[Not signed.]

LOSS ON CURRENCY NOTES

Colonies

Messrs de Vaudreuil and Raudot

November 14, 1708.

MY LORD

The merchants of this country have suffered greatly from the loss on currency notes, but that has been a general evil. As this loss is at present much abated it will contribute to make trade a little better. The bills of exchange for beaver which M. Aubert pays for in cash will do good to this country and will induce the merchants to buy it at a little better price from the Indian.

[Signed] VAUDREUIL RAUDOT
RAUDOT.

Quebec 14th November, 1708.

REQUEST FOR MORE FUNDS

Letter from Messrs Raudot

QUEBEC, November 14, 1708.

MY LORD

Messrs Raudot have the honour to append hereto a statement of the funds, which they request you to be good enough to grant next year for this

¹ The date at which the lease of the Company of Canada, or the Colony, expired.

colony. They hope, My Lord, that you may be so good as not to cut it down in any way, and to send the funds in merchandise to the amount of 30,000 livres, as was the case in the past, in accordance with what they have had the honour to beg of you. This fund, My Lord, is in part for the Indians, what you have had the kindness to give for them not being nearly sufficient.

They hope, also, My Lord, that you will be good enough to have the amount withheld delivered to them, which was retained this year to the amount of 16,582 livres 10 sols for the freight of the salt sent out in 1706 by *Le Heros* and *La Hollande*. They expect, My Lord, that you will do them the favour of remitting this charge to them. This will make a great surplus in the funds. Permit them to represent to you, that all this salt did not reach this country, and that they have received, at most, only two thirds of it, and that in withholding the whole amount they make us pay the freight on a thing which has not reached us, which, My Lord, leads Messrs Raudot to hope that you will be good enough to consider the justice of their requests and not to withhold from the funds of this country more than 8000 livres at most, the third which did not arrive and which has leaked out, ought not to pay as high a freight charge as dry merchandise, since they use it as ballast, and throw it among the casks to trim the ship.

Give Messrs Raudot leave to think that you are not growing weary of granting favours to this colony which cannot get along without your good will. They beg both for it and for themselves the continuance of your protection, and have the honour to be etc.

[Not signed.]

ACADIAN CARD MONEY WITHDRAWN

MY LORD

.....
 The card money is all withdrawn, for the value of which I have given my notes to individuals. As there is no coined money in this country, these individuals are continually bringing these notes back to me, to be broken up into numerous sums, for the requirements of their business, and that is no small employment.

Port Royal, Acadia, December 29, 1708.

[Signed] DE GOUTIN

COPPER CURRENCY

Versailles, July 6th, 1709.

.....
 The proposition made by S^r du Plessis to issue a copper currency to restore the business of the colony, is subject to many inconveniences. It is of no value whatsoever, thus there is nothing to do but reject it.

[Signed] PONTCHARTRAIN

PAYMENT OF BILLS OF EXCHANGE

Decree providing for the sale of the 143 bales of beaver, which are in the storehouses in Paris, to pay the bills of exchange drawn by the Colony of Canada, which remain to be paid of the years 1703, 1705, 1707, 1708

(Register of Decrees at the Secretary's, last three months of 1709)

October 8, 1709.

Having considered in the King's Council of State the decree rendered therein, His Majesty being present, on July 1, 1709, by which he commissioned Messrs Daguesseau,¹ ordinary councillor of state and of the royal council, de Nointel,² councillor of state, and Amelot,³ master of requests and intendant of commerce, to hear the parties respecting the difficulties and contentions which might arise in the execution of the said decree between Messrs du Molin, Mercier and Company,⁴ agents for the management of the beaver,

¹ Henri D'Aguesseau, in addition to being a member of the Council of State, had much official experience in dealing with the external commerce of the country. He was a cousin of the Minister, Pontchartrain the elder, and before 1695 was for some time Intendant of Languedoc. From 1695 to 1699 he filled the position of Director of Commerce and Manufactures. He then resigned the position to his nephew Amelot (see note 3) and became President of the Council of Trade, 1700. He afterwards took over the duties of his nephew temporarily while the latter was on a special embassy to Spain, 1705-1709. In his official capacity he had been in correspondence on the beaver trade with various parties in Canada, and was frequently consulted upon matters relating to the colonial trade generally. On September 6th of this year, 1709, the minister had sent him the petition of the merchants, Fleury and Pascaud, holders of bills of exchange drawn on Aubert, Néret and Gayot, to ask for his advice as to whether the payment of them should be required, notwithstanding the decree granting a delay of payment in favour of Aubert, Néret and Gayot. This was the decree of 1st July, 1709. (See note 1, p. 193.) He resigned the position of acting President of the Council of Trade in 1716, just before his death.

² Louis Bechameil, Marquis de Nointel, is found in the King's service in 1669 as Deputy Attorney General, and the following year as a Councillor to Parliament. In 1674 he was Minister of Requests or Petitions, and became a Councillor of State in 1700. From 1680 to 1705 he occupied the position of Intendant, in succession, for Tours, Chalons, and Bretagne. In 1698, while Intendant for Bretagne, he prepared at the request of the King a memorial on that province. He had compiled also, a work on the decrees and ordinances relating to the coinage. When, in 1708, the King determined to add to the Commissioners of the Council of Commerce one of the councillors of state, Nointel was selected for the office, and held the position until his death, 31st December, 1718, at the age of sixty nine. He was a brother-in-law of Desmarests, Controller General of Finance from 1708 to 1715 (see note 2, p. 267). His official and personal influence with the latter were occasionally sought to obtain from the treasurer sufficient funds to meet the bills drawn from Canada. (See *Série B*, Vol. 37-1: p. 109, 9th January, 1715; p. 194, 17th February, 1715; p. 252, 27th March, 1715; p. 265, 31st March, 1715, etc.)

³ Michel Amelot de Chaillon, afterwards Marquis de Gournay and Baron de Brunelles, (b. 1655-d. 1724.) filled many important official positions, especially in connection with the commerce of the country. He was appointed Councillor to Parliament at the early age of nineteen, under special dispensation as to age. In his earlier years he was in the diplomatic service, having been employed on missions to Venice, Portugal, and Switzerland. Some time after he had retired from that service he was sent on a special embassy to Spain, 1705-1709. He was appointed a Councillor of State in 1695. In September, 1699, he replaced his uncle D'Aguesseau (q.v.) in the direction of commercial affairs, and the following year was made a member of the Council of Trade, of which D'Aguesseau became the active president. This latter position also fell to Amelot when his uncle resigned it in 1716. From that time until his death in 1724, although others were nominally chiefs, he was the acting and directing spirit of the Council and virtually Minister of Commerce. See Pierre Bonnaissieux, *Archives Nationales, Conseil de Commerce et Bureau du Commerce, etc.*, (Paris 1900), pp. xii and xxxvii.

⁴ For the relations between the bankers Dumoulin and Mercier, and the firm of Aubert, Néret and Gayot, and the relief from prosecution by their other creditors granted to the latter by the decree of 1st July, 1709 see the following note.

Messrs Neyret, Gayot and Company,¹ the deputy of the colony of Canada, and

¹ On May 10th, 1706, the firm of Aubert, Néret and Gayot entered into an agreement with Riverin (q.v.), representative of the Company of the Colony (q.v.), to take over the entire beaver trade of the colony, together with all the beaver in transit or in store, whether in Canada, Hudson's Bay or France. They were to assume all the debts and obligations of the company, and to enjoy also all its special privileges, such as free transport for their beaver in the King's ships, freedom from taxes and duties, etc. The agreement was to take effect from 1st October, 1705, and to continue for twelve years, or to the end of 1717. For the full terms of the agreement see *Série CII* VI. Vol. 8, p. 109. These terms were ratified by the members of the company in Quebec 12th October, 1706, and confirmed by a decree of the Council of State, of 29th June of the same year. On 24th July, another decree of the Council of State vested in the new firm all the rights and privileges of the Company of the Colony. The active members in the partnership were Louis François Aubert, French merchant established at Amsterdam, but having extensive trading and financial interests in France; Jean Baptiste Néret, a *bourgeois* merchant of Paris, and Jean Baptiste Joseph Gayot, a Councillor of the King. The latter had been personally associated with the Company of the Colony in connection with the disposal of its furs, and secured for it financial assistance through the bankers Dumoulin and Mercier (see note 2, p. 129). On 9th June, 1706, Aubert sent a vessel to Hudson's Bay to bring down the furs which had accumulated there; and, on the 23rd of the same month, was dated an order of the King to the agent of the H. B. Company at Fort Bourbon, to carry out any orders which might be given him by the new firm. Their jurisdiction was doubtless the more welcome inasmuch as they were to pay all the arrears of salaries and expenses of those employed by the old company. When Aubert and his associates took over the affairs of the Company of the Colony, the latter was under heavy obligations to the bankers Dumoulin, Mercier and Carlier for extensive advances in the way of payment of bills of exchange drawn on them by Duplessis, the agent of the Company of the Colony. In assuming these obligations the bankers became the chief creditors of the new partnership. The Aubert Company had undertaken to receive, up to 1711, all the beaver brought in, and to pay for it at the rate of 30 sols per pound for dry beaver and 40 sols for fat beaver. Fat or green beaver was the pelt of the animal taken from it in the early winter and when in its finest condition, and therefore permeated with oil. Both the natives and the traders learned the trick of artificially saturating dry beaver with oil, thus rendering it flexible and possible to be passed off as fat beaver. The Canadian traders, finding that it could be disposed of to better advantage among the English traders to the south, and no longer having a personal interest in the company handling the trade, tended to indulge more freely than ever in smuggling the beaver to the British. The Aubert Company demanded protection and the placing of canoes with preventive officers on the rivers leading to the English trade centres in the colonies to the south. This the government at first agreed to, but the Canadian influence was sufficient to prevent its execution. Already the King had pointed out to the Governor and Intendant that, since they had rejoiced over the new agreement as being the financial salvation of the colony, they should make definite efforts towards carrying it out. The French hatters objected, in 1708, to the sale of beaver outside of France, as it kept up the price of the skins and made it possible for the foreigners to compete with them in trade. But the government pointed out that if the surplus was not sold abroad the Company would be ruined, and, as much of it went to Russia (Muscovy), it was used there in the shape of furs for personal wear and adornment and not for hats, which were chiefly imported. On April 24th, 1708, a subsidiary agreement was made through Riverin, regarding the trade with Hudson's Bay. Owing to the ruinous wars in which France was engaged at this time, and which were brought to an end only with the Treaty of Utrecht, in 1713, the economic condition of the kingdom was becoming very deplorable. Naturally the beaver trade, among others, suffered severely. The Company found sales very slow and at unprofitable rates, with large additions to the quantities in storage, not to mention losses due to the capture of the French ships, chiefly by the English. As a consequence, the Company was drifting into severe financial difficulties which threatened its solvency and hence its existence. It appealed to the government for relief in several directions. Its chief creditors were still the bankers Dumoulin and Mercier. The minister, writing to this firm on 23rd May, 1708, commended them for the assistance they had rendered to Aubert and associates and hoped it would be extended. It was considered necessary, however, to give them a controlling interest in the affairs of the Company, to ensure the prompt payment of the bills of exchange drawn for the beaver, and sustain their general

the creditors of the said Messrs Neyret, Gayot and Company, and that on their

credit. It was necessary, also, to protect the Company by the suspension of all legal proceedings against it on the part of its other creditors, for at least three years;—the term of the proposed agreement with the bankers. The King, realizing that probably the very existence of the colony of New France depended upon the maintenance of the Aubert Company, and finding from an examination of their affairs that their assets still showed a respectable balance over their liabilities, granted their request by a decree of 1st July, 1709. This will account for the important part played by Dumoulin and Mercier in the affairs of the Aubert Company for some time. It appears that the bills of exchange were afterwards drawn on "The Beaver Company of Paris", and that the proceeds of the sales were applied by Dumoulin and Mercier towards the liquidation of the debts due to them. There still remained the primary difficulty, however, that the Company was forced to take the beaver from Canada in greater quantities than could be disposed of and at prices which could not be realized. Hence the privileges already referred to could only temporarily postpone the bankruptcy of the Company. In the sixth section of the original agreement of 1706, it was specified that, for the last six years of their contract, Aubert and Company should take from Canada, 30,000 fat beaver skins at the rate of 40 sols per pound. Fat beaver in particular was found to be a drug on the market while the wars which raged paralysed trade. Hence the Company, early in 1710, petitioned the King to be relieved from the conditions of the sixth section of the contract. Riverin, as the official agent of the colony, protested that, if allowed, this would be a very serious detriment to the colony. But, recognizing that detriment is not so serious as destruction, he stipulated that if the King and Council should entertain the appeal, the specified quantity of fat beaver should be taken for that year at least, and that in future, as a partial recompense, the Company should pay 35 sols per pound for the dry beaver, instead of 30 sols as stipulated in the contract. The King and Council, under the decree of 19th May, 1710, granted the request of Aubert and Company, but regarded the claims of the agent of the colony to the extent of requiring the Company to take the 30,000 fat beaver of that year, although at a reduction of one fourth, or 30 sols per pound instead of 40 sols, and that they should increase the price for dry beaver from 30 to 34 sols. To prevent the beaver from Acadia, which was not included in the contract, from going to the English, Dumoulin and Mercier agreed to give 36 sols per pound for it; and, to assist them, its export from Acadia was prohibited. About the beginning of 1712, Sr. Aubert, the head of the firm, died, and the business was thereafter carried on by the remaining two partners, with the association of some others, in addition to their financial supporters Dumoulin and Mercier. On petition from both parties the agreement by which Dumoulin and Mercier were admitted to a controlling interest in the affairs of the Company was continued for another two and a half years, or until the end of 1714. This was done by the agreement of 20th June, 1712, but with the addition of Sr. Cadet, as representative of the other chief creditors of the Company. After the peace of Utrecht trade experienced the usual temporary boom. Beaver hats were once more in extensive demand throughout Europe, and Paris fashions prevailed. As a result the accumulated stock of fat beaver rapidly vanished and there arose an outcry from the French hatters. Word was sent to the Governor and Intendant of Canada to have the Indians in the northwest informed that Néret and Gayot are now willing to take fat beaver and to allow the same rate for it as dry beaver, namely 34 sols per pound. Later they agreed to resume the full terms of their contract until its expiration, taking the fat beaver at 40 sols per pound. This was confirmed in a decree of 8th October, 1714, in which that of 19th May, 1710, was revoked and section six of the original agreement restored. Naturally, while it was not accepted in France, the fat beaver was passing freely to the English, and officials in the neighbourhood of Montreal were profiting thereby. It was not easy to restore the trade; indeed, we find from a despatch from Canada of March 1715, that the Canadians were unwilling to deliver their beaver to the offices of the Company at Quebec. On 3rd April the minister writes to Néret and Gayot enclosing a petition from the merchants of La Rochelle, complaining of the scarcity of fat beaver and the steady increase in price, and urging them to send instructions to M. de Louvigny, in command at Michilimackinac, to send down to Quebec all the fat beaver possible, and to offer to pay for it at the rate of 70 sols per pound. Hence, also, we find the King writing to De Ramesay, 10th July, 1715, urging him to regain the Indians from the English trade and to inform them that Néret and Gayot

advice such order may be given as is appropriate thereto. The request presented by Messrs Fleury and Pascaud¹ acting for themselves as well as for the other merchants of Canada and La Rochelle, who carry on business in this colony, to the effect that, for the reasons therein set forth, it may be ordered that Messrs du Molin, Mercier and Company, entrusted with the property relating to the business of the beaver, in execution of the agreements of May 10, 1706,² may be obliged to pay and accept the bills of exchange of the years 1703, 1705, 1707, and 1708, drawn by the said colony and accepted by Messrs Neyret, Gayot and Company for beaver which has been furnished to them, with the reply of Messrs du Molin, Mercier and Company conveying a refusal. The memorandum of the deputy from Canada acting in this matter for the holders of the said bills of exchange and the agreements of May 10, 1706, together with the opinions of the said commissioners.

The King being in his council, before adjudicating on the contentions of the parties, has ordered and hereby orders that the 143 bales of dry beaver, which have come in since the agreement of 1706, being in the storehouses in Paris shall be sold by Messrs du Molin, Mercier and Company and Messrs Neyret, Gayot and Company, in order that the proceeds may be employed in the payments of the bills of exchange which remain to be paid for the years 1703, 1705, 1707, and 1708, drawn by the said colony of Canada, accepted

will pay 60 sols instead of 40 sols for fat beaver. Meantime the hat makers of Paris, realizing the upward trend of beaver values, sent a memorial to the minister early in 1715, offering to take over the lease of Néret and Gayot, on condition that it be extended to 1723. On 12th February the minister sent this on to Amelot de Chaillon of the Council of Trade to obtain the opinion of the Council. He states his own objections, on the ground that the hatters could not give sufficient security for meeting the bills of exchange from Canada, and on the ground, also, that it was the intention to render the beaver trade free, after the expiration of the present lease. Just then Louis XIV died; and under the Regency a complete reorganization of government took place. The Great Councils were substituted for the ministries. Canada and the other colonies were placed under the management of the Council of Marine, which henceforth gave instructions to the Governor and Intendant. From 1715 to the end of their lease at the close of 1717, Néret and Gayot found it very difficult to regain their hold on the beaver trade of Canada. Numerous memorials were presented, either directly to the home government, or through the Canadian authorities, protesting against their being allowed an extension of their lease, as was desired, and praying as a rule for a free trade in beaver. The merchants at Montreal were particularly bitter in their opposition to the Company, which brought out a protest from Lanoullier (q.v.) their agent in Canada. As late as 16th October, 1716, the Council of Marine, writing to Vaudreuil and Bégon, declared that it had been decided to render the beaver trade free, on the expiry of the lease the following year. Yet, on July 5th, 1717, the King in a despatch to the same parties announced that, after reading their memorials and that of Néret and Gayot, he had decided not to grant an extension of their lease to the latter. At the same time, in the interest of the settlers, he did not consider it desirable to render the trade free and open. He had therefore issued instructions for the formation in France of a new company, sufficiently strong to take all the beaver brought to Quebec, and to pay for it in bills of exchange in three terms, one at sight and the others at six and twelve months. As to establishing a fixed price for beaver or allowing it to be regulated by market conditions, he was not so sure and would like to have their advice. Thus was settled the fate of Aubert and Company, and outlined the establishment of the Company of the West. (q.v.) Thereafter Néret and Gayot figured only in minor difficulties over the transfer of their beaver on hand, etc, to the new company, and the difficulties incidental to the winding up of their affairs and adjusting old claims.

¹ As to Fleury, see note 3, p. 139. Pascaud was a wealthy merchant of La Rochelle, interested in the Canadian and other colonial and foreign trades of France. He is not, however, the Canadian merchant of that name. (See note I, p. 131.) His wife carried on his extensive business for a number of years after his death, and her name appears frequently in the annals of Canadian external trade.

² See *Série C*¹¹ VI: Vol. 8, p. 109.

by Messrs Neyret, Gayot and Company; as also, that the beaver which may come from Hudson's Bay in the vessel *Le Phoenix* shall be likewise sold, either in France or in foreign countries, under the care and by the orders of the said Messrs du Molin, Mercier and Company, and of the said Neyret, Gayot and Company, in order that the net proceeds may be employed in the payment of the said bills of exchange, deduction being first made of the expenses.

His Majesty orders that in case of the capture or loss of the said vessel *Le Phoenix*, the amount of insurance written in Holland and Marseilles on the said vessel and cargo, shall be likewise employed in paying the said bills of exchange for the years 1703, 1705, 1707, and 1708, the whole at the peril and fortune of the said Neyret, Gayot and Company. The holders of the said bills of exchange may name such person as they choose to be present at the said sales. It is ordered, moreover, that the statements of the sales and receipts and insurance, if such there should be, together with the distribution of the funds proceeding therefrom shall be reported to the Council by the said Messrs du Molin, Mercier and Company. For all this, it is desired by His Majesty that such orders be given as seem appropriate.

PAYMENT OF BILLS OF EXCHANGE BY BEAVER SHIPMENT TO HOLLAND

The Council met.

Various memoranda were read concerning the request that Messrs Dumolin and Mercier are making for a King's License, as submitted to the management¹ of the Canadian beaver trade by the Council's decree of the 1st January 1709, their purpose being to send a Dutch vessel of 140 tons, with leave to go from Holland to Quebec, Canada, and to return to Amsterdam loaded with 80,000 lbs or thereabouts of dry beaver, these to be sold in Holland in order to pay the bills of exchange that M. Aubert drew from Quebec on the said Messrs Dumolin and Mercier for beaver delivered in Canada last year: these amounted altogether to the sum of 84,249^{li} 5^s 9^d. On this matter, the Deputies to whom these memoranda had been referred for examination and comment, observe as follows:—According to their opinion (which has been read), after having reviewed the commitments of Messrs Dumolin and Mercier towards the colony of Canada, in respect of the payment of their bills (failing which, the colony would perish), and knowing moreover that there are no more liquid funds for the payment of these bills than the produce of these beaver, and that consequently a market should be assured them wherever possible, and appreciating the slight degree of certainty there is, on account of the present war, in getting French ships for voyages to Canada, they believe, from these reasons and notwithstanding the established rules, which do not allow the admission of foreign vessels into

¹ This evidently refers to the Council of Commerce, which had supervision of the foreign trade of France, and of which D'Aguesseau was president (see notes 1 and 3, p. 191).

our colonies, that, nevertheless, these can be relaxed on this occasion in favour of the petitioners and the license in question accorded them, on the following conditions:—

1° That the Dutch ship which they wish to freight, leave Vüide in Holland for Quebec without any goods, and that it have aboard nothing whatsoever but its ballast and its stores, which condition shall be alone put down in the license.

2° That there be loaded on the said vessel in Canada for its return to Holland only 80,000 lbs or thereabouts of dry beaver, with no liberty accorded to load any other sort of peltry or goods.

3° That the petitioners bind themselves to give, before the deliverance of the license, a statement of the bills of exchange drawn on them in 1709, for the deliveries made to them in Canada during the course of the said year, which bills they bind themselves to pay at their maturity.

4° That they engage also to pay the bills of exchange to be drawn during the course of this year, 1710, for the value of the dry beaver delivered to them in Canada in this same year.

5° That they bind themselves to have 300 bales or thereabouts of dry beaver loaded for the Kingdom, in the ships which will be sent for it, during the course of the present year, this to serve as raw material for our manufactures.

And that, as guarantee for carrying out these conditions, the petitioners execute their bond to pay 20,000^l in case of contravention on their part of these conditions and without power of refusing payment of the bills of exchange of 1709 and 1710.

And after the discussion of all these observations the opinion appeared unanimous that the license asked by Messrs Dumolin and Mercier for sending a Dutch vessel which shall leave Holland to go and load at Quebec, Canada, 80,000 lbs or thereabouts of dry beaver to be taken to Holland and sold, could be granted on the conditions set forth above.

[Autograph signature] DAGUESSEAU.

PROHIBITION OF CARD MONEY IN ACADIA

VERSAILLES 20th May, 1710.

TO M. DE SUBERCASE

SIR:—

.....
 I have informed you that His Majesty disapproved of your having had card money issued, because you have neither the power nor the authority to do so. It is his will absolutely that you withdraw it, and he forbids you under any pretext whatsoever to do this in future in whatever situation you may find yourself. It does not appear that in your present situation you should be obliged to incur large expenditures beyond the funds which His Majesty has provided these last three years. Make it your business therefore

to administer these funds so that they may suffice for everything, because His Majesty will have nothing remitted beyond that sum.

.....

[Not signed.]

BEAVER SHIPMENT TO HOLLAND DISALLOWED

Friday, 30 May, 1710.

The Council met

.....

On the request which Messrs Dumoulin and Mercier submitted to the management of the beaver trade of Canada for a Royal license to send a Dutch vessel of 140 tons from Holland to Quebec, Canada, and to have it return to Amsterdam, laden with 80,000 pounds or thereabouts of dry beaver;¹

.....

Owing to the reading of a letter from M. de Pontchartrain, of the 25th of this month, it having been remarked that the English had designs of going to attack Canada, that they were actually fitting out vessels on which they would embark troops for this enterprize, that there were even now at London four Indians who had gone there to ask help, and that under such circumstances nothing would be more injurious to the King's service than to give leave to a Dutch vessel also to go to Canada; and as His Majesty would not approve the proposal to grant the license which Messrs Dumoulin and Mercier ask—for sending a Dutch vessel to Canada—for these reasons, it was ordered that the said license be refused.

.....

[Autograph signature] DAGUESSEAU

CURRENCY IN ACADIA

VERSAILLES 10th August 1710.

TO M. DE SUBERCASE

SIR:—

.....

The efforts it is necessary to make for the transportation of provisions, goods and munitions which *La Loire* is taking to you, which we have had to purchase for actual cash, do not permit the sending to you of the 4000 to 5000 livres which you request; since, in the present posture of affairs, the

¹ See p. 199.

opportunity and the security of the transport are equally uncertain. Therefore, as you inform me that there is plenty of money in Acadia, but that the inhabitants do not put it in circulation, it is your business to discover the means of getting it into circulation. If you cannot manage it yourself, let me know the names of those whom you would think the King might employ for that purpose; inform me at the same time at what rate coin is current in Acadia. I have informed you so definitely that it is the King's determination that you should not have any card money issued, no matter in what position you might find yourself, that I have reason to believe you will not fall into such circumstances, and His Majesty forbids you very expressly.

.....

[Not signed.]

REASONS FOR FURTHER ISSUE OF CARDS

QUEBEC, October 22, 1710.

MY LORD

I have the honour to append herewith the accounts of the storehouses for the years 1708 and 1709, with the list of officers.

I enclose also a statement of the funds for this colony for next year, 1711, including those for the English prisoners whom, owing to the capture of St. Johns, M. de Costebelle sent to this town last year; and for six other prisoners whom M. de Subercase sent here last summer by the vessel which has been attempting the recovery of Acadia.

Permit me, My Lord, to beg you very humbly to be so good as not to cut down the funds I am applying for for this country; the goods which were brought from France in the past, through the profits they furnished, increased the funds, but those which have come this year, costing more than the merchants can sell them for, have diminished so much the funds which you have had the goodness to grant for this year, that it is unprofitable and even expensive to His Majesty to import them.

I have not received with your letters the statement of the funds for last year or for this year, neither have I received those with an account of the charges.

The agent of the treasurer has received no information from the Treasurer General in office this year.

The one who will be in office next year has given no orders for this place, nor designated an agent, so that M. Petit who ordinarily attended to these duties having left for France, I have directed M. Duplessis, who is another agent of the Treasurer, to act. As last year it was impossible to draw bills of exchange for the expenses of the present year, we were obliged to issue cards, hoping to retire them this year by the bills of exchange that could be drawn, but they have been so badly met in France that I do not believe the treasurer will draw for more than from 30,000 to 40,000 livres, hence we have resolved to issue cards again; without this resource the country would be in very ill case. As all these cards rest on the security of the funds which His Majesty

has the goodness to grant to this colony, they will consequently be retired by the bills of exchange to be drawn on the Treasurers General of the Marine.

I have the honour also to enclose herewith a memorandum of the munitions and goods which are necessary for the King's storehouses in this country which I beg you, My Lord, to be so good as to order to be sent out by the King's vessel which will leave next year for the colony.

[Not signed]

STATEMENT OF NEW CARD MONEY ISSUED

MEMORANDUM of new card money prepared in the year 1710, in accordance with the official report of September 29 of the same year, which cards have been signed in the same manner and stamped with the same dies, as those issued in accordance with the ordinance proclaimed by the Governor General and the Intendant on January 10 of the same year, 1710.

	To wit	livres
5798 cards of 32 livres, currency of the country		191,296
1716 " " 16 livres	do	27,456
5920 " " 9 livres	do	23,680
830 " " 2 livres	do	1,660
		<hr/>
		244,092
Deduct a quarter to convert into French money		61,023
		<hr/>

The cards prepared as above amount, in French money, to one hundred and eighty three thousand and sixty nine livres.183,069

WE the Governor General and Intendant of New France, in presence of M. Demonseignat, Controller of the Marine, in accordance with the report of September 28, 1710, and on the representation made to us by M. Duplessis, appointed by M. Gaudion,¹ Treasurer General of the Marine in office last year,

¹ Pierre Nicolas Gaudion was a treasurer general of the Marine, who was most intimately involved in the difficulties arising from the non-payment of the bills of exchange which were drawn on him from Canada, during the financial crisis towards the close of the reign of Louis XIV. It was also on him that the bills were drawn after the reorganization of the Marine Department and the establishment of the Council of Marine; to which were still attached the colonies, during the regency in the earlier years of the reign of Louis XV. Gaudion found himself in the dilemma of being ordered by the Department of the Marine to pay, or, if that were temporarily impossible, to at least accept the bills drawn on him by his agent Petit at Quebec. Desmarets, as Minister of Finance, struggling with the legacy of practical national bankruptcy bequeathed to him by Chamillart, found it impossible to furnish Gaudion with

and, also by the Intendant, to perform the duties for this year for M. Mouffle de Champigny,¹ also Treasurer General, being convinced that it is necessary, M. Duplessis having no funds and no information from M. Mouffle, to make a new issue of card money to provide for the expenses of this country, not finding any individuals who were willing to take bills of exchange on the said Treasurers.² Hence, in accordance with the statement in the above report, we have ordered that there be issued a new card money to furnish the necessary funds as well as for the balance of the expenses for last year as for those of the present year, the amount of which is set down on the margin of the said report, after the said M. Duplessis had drawn on France bills of exchange for the money he was able to procure. Subsequently, on the report of the said M. Duplessis, the preparing of the said cards had been arranged for on October 31, 1710, to the amount of 245,000, currency of the country, as is stated on the margin of the report. Of this, however, there was struck off only to the amount of 244,092 livres, currency of the country, equalling in French money 183,069 livres. This has been delivered by the Intendant to M. Duplessis at different times from September 28 last, and in subsequent months until the present, conformably to the several receipts which he has given him, which have been returned to him by the Intendant, in consequence

much more than promises. When remonstrated with by the Minister of Marine, or solicited by friends on behalf of other friends, who were the holders of bills, Desmarets had to make what excuses he could. In the meantime, the merchants of La Rochelle and of other parts, supplying the Canadian traders with manufactured goods, passed on, by personal endorsement, the bills accepted by Gaudion, and thus also became liable for them. When, therefore, for lack of funds from the treasury, they were not paid for months after their maturity, the last holders began to take legal action against the endorsers, who, in turn, took action against Gaudion. The latter we find was actually besieged in his house by officers of the law, seeking to serve writs upon him. The government finally took action. On 29th October, 1715, a decree was issued by the Council of State granting extension for three months to the merchants and others of La Rochelle who had endorsed the bills of exchange from Canada on Gaudion, and which he had accepted for payment in the preceding March. Then, to protect Gaudion, on 4th June, 1716, the Council of Marine notified the judges of the court that it had been decided by the Council of the Regency, that for three months no sentence should be passed against Gaudion on account of his failure to meet the bills of exchange from Canada, drawn on and accepted by him. Typical documents on this subject are given below as illustrating the effects of the financial stringency upon the Canadian exchanges, and, through them, on the financial conditions of the colony. (See *Série B*, Vol. 37-1: p. 265, 31st March, 1715; p. 496, 2nd July, 1715; *Série C¹¹ I*, Vol. 36, p. 48, October, 1715; *Série B¹*, Vol. 1, p. 35, 27th October, 1715; *Série B*, Vol. 38-1, p. 89, 6th November, 1715; *Série C¹¹ II*, Vol. 35, pp. 57, 257, 7th November, 1715.)

¹ Louis François Mouffle de Champigny was also one of the treasurers general of the Marine, at intervals from about 1710 until 1726, the year of his death. He was not, however, personally so deeply involved in the difficulties of the position due to the critical state of the national finances, as was his colleague M. Gaudion (q.v.).

² The desperate condition of the public finance of France at this time, the uncertainty as to when the bills of exchange drawn on the Treasury of the Marine might be paid, and the liability to having them paid in treasury notes, rendered the Canadian merchants and others loath to either purchase bills on the Treasury, or accept such bills for supplies and services furnished to the government. For these reasons they much preferred to hold, in the meantime, the card money of the colony, which, though also declining in value, was for the time the better reserve. If the French exchange should revive, especially on the restoration of peace, the card money could then be converted into bills. (See also the document which follows.) In the meantime the private bills drawn for the beaver by the agents of Aubert, Nérét and Gayot on Dumoulin and Mercier, their bankers in Paris, were at a very considerable premium as compared with any other instruments of exchange in the colony.

of which the said M. Duplessis here present acknowledges that there was delivered to him, as before said,¹ the sum of 224,092 livres, currency of the country equalling in French money 183,069 livres. He has bound himself to us, the Governor and the Intendant, and the said M. Demonseignat, being present at the reading of the report, to return to us, after the departure of the vessels for this year, equivalent sums, in addition to those which he is under obligation to return for the cards supplied to him last year, as is stated in the report of September 28, 1710: these latter are in cards of Messrs. de Callières and de Champigny, of ourselves as Governor with S^r de Beauharnois, and also of ourselves as present Governor and Intendant, the said cards to be afterwards burned, in acquittance of S^r Duplessis, who will by this means be fully and legally discharged. The said report is made in *quadruplicate*, March 20, 1711, one for the Marquis de Vaudreuil, one for the office of the Intendant, one for the office of Control, and another for S^r Duplessis,

Signed: VAUDREUIL, RAUDOT, DUPLESSIS, DEMONSEIGNAT.

I have the original

DAIGREMONT.

¹ *In the margin*:—Received the hundred and eighty-three thousand and sixty-nine livres, money of France here specified, making in money of the country 244092¹¹, as mentioned in the present official minute. *Signed:* DUPLESSIS.

50 AND 100 LIVRE CARDS TO BE ISSUED

I.

Resolution of Messrs de Vaudreuil, Raudot, and Monseignat, for the production of a new card money for the sum of 450,000 livres, money of the country

October 1, 1711.

S^r Duplessis, agent of Messrs Gaudion and Mouffle de Champigny, Treasurers General of the Marine, and also commissioned by the Intendant for the term of office of M. de Vanolles for next year, 1712, the said M. de Vanolles having proposed no person to perform the said duties, having represented to the Intendant that the funds provided for the present year had run short, on account of the great expenses which have had to be incurred to put the towns of the colony in a condition of defence against the English, certain information coming in that they had set out to attack this colony, these great expenses have obliged him to obtain considerable loans from several persons, which amount to 80,000 livres, which sum he is obliged to repay them before the departure of the vessels, which he cannot do unless the necessary funds are placed in his hands, the individuals who lent him the said sum not being willing to accept bills of exchange on the Treasurers of the Marine. This circumstance has forced M. Duplessis to represent to the Intendant that all the merchants of the town having refused, in spite of the solicitations addressed to them, to take these bills of exchange, he is unable either to pay or settle for the remainder of the expenses for this year or those of next year, unless indeed the Intendant can furnish him with funds, to wit, that he and M. de Vaudreuil make use of the same expedient as they

have employed these last two years, namely to issue cards to the amount of the funds necessary. These cards he pledges himself to return to be burned, when he shall have received the equivalent of them from the Treasurers General of the Marine, and the same in proportion as he shall be reimbursed, when M. Petit shall have had remitted to this country the sum of 68,130 livres, 10 sols and 3 deniers, French currency, of which he ought to have secured the remittance this year, but which has nevertheless remained in abeyance, because he has not yet rendered his account to M. Vanolles.

After having conferred as to the said representations with the Marquis de Vaudreuil, Governor and Lieutenant General for the King in this country, we agreed, in presence of M. de Monseignat controller of the Marine, that preparations should be undertaken at once for a new issue of card money for the sum of 450,000 livres, money of the country, equivalent to 337,500 livres, money of France, viz:—200,000 livres, money of the country, to return the loans made this present year, and to satisfy the other payments remaining to be made, and the 250,000 in the same money, awaiting the expenditure of the appropriations of the following year, 1712. To accomplish which and to provide a fund of 450,000 livres, since there is sufficient card money of the lower denominations, there will be issued 3000 cards of 100 livres and an equal number of 50 livres each. In order to make plain to every one the difference between the 100 livre cards and those of 50 livres, it will be noticed that the writing on those of 100 livres will be cross-wise on black cards, and the writing on the 50 livre card will be from top to bottom on red cards; in order also that one may know the difference between the 100 livre and 50 livre cards, and those of 32 livres, which have been stamped in the other issues on whole cards, as in the case of the present issue, instead of having the three stamps at the top of the card as in the 32 livre card, in the new issue there will be four stamps, one in each of the corners, with the same dies as were used in the preceding issue. That is to say, that which bears a *fleur de lys* on a pedestal with a wreath around it of small *fleurs de lys* shall be at the upper right hand corner, and the same imprint at the lower left hand corner, that of the Marquis de Vaudreuil represented by three caissons fessed two in chief and one in point, surmounted by a marquis' coronet with a wreath around it, at the bottom on the right hand side; and that of the Intendant represented by a crescent surmounted by a blade of corn, crowned with four stars, with two palms in the wreath on the top of the left hand side. All of this amount in card money shall be as above specified. These cards with all those which were furnished for the funds of the preceding years, M. Duplessis shall return to be burned by the Governor and Intendant in the presence of the Controller of the Marine, when he shall have drawn the equivalent value in bills of exchange on the Treasurers General in office. Done at the Chateau of St. Louis at Quebec, &c.

[Signed] VAUDREUIL, RAUDOT, DE MONSEIGNAT.

II.

Ordinance of Messrs de Vaudreuil and Raudot giving currency to new card money

October 25, 1711.

The great outlays we have been forced to incur this year to put the towns of the colony in a state of defence against the English, having obliged

S^r Duplessis, agent of Messrs Gaudion and Mouffle de Champigny, treasurers general of the Marine, to borrow from various individuals considerable sums which amount to about 80,000^l. The said M. Duplessis having represented to us that these parties, who request the repayment of this amount, are not willing to take bills of exchange on the aforesaid treasurers, and that likewise all the tradesmen of the town refuse to accept these bills of exchange; hence he can neither pay nor make a settlement of the balance of the extraordinary expenses for this year, or those of the next year, unless we provide therefor. Being convinced of this, we have resolved, in the presence of M. de Monseignat, controller of Marine, in accordance with our report of October, recognizing that there are sufficient other cards of smaller denominations, to make a new issue of card money to meet the said expenses. This card money is composed of cards of 100 livres and 50 livres, written, signed, and dated by the hand of M. Duplessis, the stamping and structure of which are here set forth, the said cards being also signed by us. For these reasons we order all persons of whatever quality and condition they may be, to receive the said cards which may be presented to them, bearing the marks and signatures above indicated, the same to have currency from the day of the publication of the present ordinance, and until such time as it may be otherwise ordered by us. We forbid all persons to counterfeit the said cards, on pain of being punished as makers of false money. The present ordinance shall be read, published, and posted up in the towns of Quebec, Three Rivers and Montreal, to the end that no person may be ignorant of it. We order &c.

Done at Quebec, etc.

[Signed] VAUDREUIL and RAUDOT.

FINANCIAL STRAITS OF THE COLONY

Memorandum on Canada [1711]

FUNDS

The funds for Canada have been supplied regularly up to and including the year 1708, but the meagre funds which have been allotted since that year to the Treasurers of the Marine for the expenditures have deprived them of the means to meet the bills of exchange which have been drawn upon them. This has excited mistrust among the merchants, who have accepted in bills of exchange drawn by the agent in Canada upon the Treasurer General of the Marine. This lack of confidence and the few merchant vessels which have been fitted out for Canada during the last two years, some of which indeed have been captured by the enemy, have been the cause of the agent of the Treasurers in the said country, who had been accustomed to draw up to 180,000 livres in bills of exchange on each appropriation, not having drawn for 40,000 livres for each of the years 1709 and 1710.

Nevertheless, the allowance for the soldiers and the other expenses have been regularly paid, Messrs de Vaudreuil and Raudot having met them by means of the card money they have issued, and which will be reimbursed to the extent to which it is possible to draw bills of exchange on the funds appropriated.

We are in no position to remit anything for the expenditures of the present year, 1711. The inability experienced last year of fitting out a King's ship,

made it necessary to seek means of assisting the colony in some other way. It was proposed to several merchants to undertake the fitting out of a King's ship and the S^r la Joue having undertaken it, an agreement was made with him, on March 15, 1710, by which he pledged himself to fit out, on his own account and at his own expense, the King's ship *L'Affriquain* for Canada, and to convey there the munitions and merchandise which His Majesty wished to send. This contract was carried out, and there was sent by this means provisions, merchandise, and munitions to the value of 51,296 livres 16s 2d, charged to the funds ordered for the year 1709.

There was sent, on the same occasion, 23 thousand pounds of powder, 300 guns and 50 recruits, with complete clothing and small articles of dry goods for the troops which His Majesty maintains in the country.

The vessel fortunately arrived at Quebec in the month of September 1710.

The same difficulties, which prevented fitting out a King's vessel in 1710, were experienced this year, with this difference, that neither M. La Joue nor any other merchant has been willing to undertake the expense of the equipment. Since it is necessary, however, to send a King's ship to Canada, all possible expedients to that end have been canvassed. Those interested in the Beaver Company¹ have been induced to contribute the sum of 10,000 livres, which they have furnished as freight for the beaver which this vessel will bring back, although by their contract their beaver ought to be brought to France on the King's vessels gratis: moreover, the minister has undertaken to supply the necessary provisions, and the merchants have undertaken not only to pay the freight on goods in advance but also to advance the freight for the return passage. Thus it has been possible to fit out the ship *Le Heros* without the Treasurer of the Marine being in a position to give a sol for this expense. The ship is at this moment in the roadstead, and it is hoped that it will be able to sail by the 20th of this month.

There will be sent by this opportunity, 21 thousand of powder, 13 thousand of lead, 200 guns and some other munitions and goods, which have been called for in the country, there will also be sent 28 recruits and two companies for the garrison of Acadia, if we can manage to get provisions for their subsistence during the voyage.

On the information received in the month of March last, that the English had some designs on Canada, letters were sent on the 11th of the same month to S^r de Vaudreuil and to S^r Raudot by three different conveyances to inform them of it; and at the same time an order was given to S^r de Beauharnois, Intendant at Rochfort, to send over soldiers, powder, lead and guns. That has been carried out and there have been sent, by three merchant vessels which have left La Rochelle for Quebec, 90 recruits, 9 thousand of powder, 9 thousand of lead, and 100 guns. There was sent by the same opportunity to S^r Gaulin² missionary to the Micmac Indians at Baie Verte, guns, powder, and other munitions to be distributed to these Indians, in order to let that tribe know

¹ Aubert, Néret and Gayot and their financial associates (see note 1, p. 193).

² Père Gaulin had stated in a letter, of 1st October, 1712, that the Acadians and Indians remained submissive to the English only because they lacked the provisions and munitions of war to enable them to rebel. That this religious missionary faithfully discharged his military missions, numerous documents relating to these matters sufficiently testify. A number relating to this mission in particular will be found in *Série B*, Vols. 31 and 33.

that they are not abandoned, and to furnish them with the means of making war on the English who are in Acadia.

Those are the best and most timely precautions that could be taken having regard to the situation in which we stand with respect to money.

.....

NECESSITY FOR PAYMENT OF BILLS OF EXCHANGE

M. de Vaudreuil

November 8, 1711.

MY LORD

.....

I find myself at this moment obliged to represent to you the necessity there is that you should order the treasurers of the marine to pay the bills of exchange drawn by their agent here for the preceding years, in order to give some measure of credit to our cards. Without that, My Lord, this country will fall into extreme distress, and none will any longer be willing to send us merchandise, and after that the Indians will abandon us entirely to betake themselves to the English. They are only too much inclined to this already. Will you have the goodness to consider that this country has at present no other returns than that from flour, for which, for lack of vessels coming here to load it, we cannot get an outlet. The small amount of beaver which the merchants send to France is not sufficient for the needs of this country, the expenses connected with them consuming the greater part of their value. It is this, My Lord, which leads me to hope, that giving attention to what I have the honour to communicate, you will give orders that the bills of exchange drawn during the preceding years may be accepted and paid within the six months of the year on which we are entering. M. Raudot who returns as also his son, can better inform you of the truth of what I am saying and of the necessity for restoring credit to our bills of exchange on the treasurer.

.....

[Signed] VAUDREUIL

FINANCIAL DIFFICULTIES

MARLY, June 26. [1712]

TO MESSRS VAUDREUIL AND BEGON

I am writing this private letter, Gentlemen, which must be entirely secret, and which you must not disclose to any one whatever. Several persons in Canada, and in particular Messrs de Vaudreuil and Raudot have represented to me this year that it will be impossible in future to find means of subsisting the troops and providing for the expenditure, ordinary and extraordinary, if the Treasurers General do not pay the bills of exchange at their maturity, and that the large amount of cards which have been issued in

the country has destroyed their credit. This has raised the price of merchandise fourfold, because the merchants cannot get rid of them, and they procure only bills of exchange which are not paid, which destroys their function as money, and brings general distress on the whole colony. I agree as to [the] truth of all these facts, but the embarrassing situation in which the Kingdom has been for several years, has put it beyond the power of His Majesty to provide for domestic expenditure, and on the other hand for that which it is indispensable he should undertake in defence against the enemies of the State. It is true that this situation may change its aspect, and that peace may be made at once, but it will not put His Majesty in a position to meet all his obligations, of which the cards in Canada form a part; the most he will be able to do will be to meet current expenditure.

The fear which exists that all the cards will become an absolute loss to those who hold them, and who, by their obstinacy, wished to retain them entirely, obliges you to seek expedients to diminish their number and to support the colony without employing this means, for in the end, if one continually increases the quantity of that money, no person will want it. There may be one expedient, which is to induce the merchants who have a considerable quantity of the cards to accept bills of exchange which they might convert into notes of the Treasurers General here, which are accepted for debentures¹ on the city of Paris, and those on the generalities² of the Kingdom.

¹ The use of the term "rente" or "rentes", though afterwards bearing, in a financial sense, the meaning of the English terms debenture, funds, or securities, indicates that, in the earlier French usage at least, the income from an investment was more permanently in view than the capital sum invested and made payable on a given date, and transferable in the meantime. No doubt the early "rentes" were chiefly in the nature of annuities, whether purchased with a capital sum or not. The "rentes" referred to in these documents, however, are capital investments for a term of years, to be repaid or refunded at the end of that time, and hence are of the nature of funds or securities.

² It may appear somewhat curious that the Canadian merchants should be offered debentures on the city of Paris, in liquidation of their bills of exchange drawn on the French treasury, through the Department of the Marine. The explanation is to be found in one of the numerous financial devices of the French government. This consisted simply in utilizing the credit, first of the city of Paris and afterwards of other cities and districts, in supporting the greatly overburdened credit of the kingdom. This expedient appears to have been originally introduced in the reign of Francis I. When in straits for funds to carry on his Italian wars, his other resources being very much exhausted even to the sale of public offices, the plan was suggested of substituting the credit of the city of Paris, then largely unimpaired, for that of the kingdom. By letters patent, of the 2nd September, 1522, the King pledged to the authorities of Paris certain taxes or revenues of the state, extending well into the future, for a present loan of 200,000 livres, to be raised by pledging the credit of the Council and people of Paris. This arrangement was ratified by an edict of 10th October, 1522. Notwithstanding occasional protests on the part of representatives of the city, this device was industriously operated by Francis and his successors; and, by the latter in particular, was extended to other civic units throughout the kingdom, and even to ecclesiastical and other corporations. Owing to the authority on which they were raised and the credit pledged for them, these loans and their repayment were financed by the civic authorities. Thus, especially in following up the collection of the national revenues pledged for the interest and repayment of the loans, the officials of the civic treasury were ultimately deeply involved in the details of national finance. In looking after their own interests they exercised to the utmost what restraining influences they possessed on the financial extravagance of such irresponsible monarchs as Louis XIV and Louis XV. After utilizing the credits of most of the other cities of the kingdom, the royal treasury extended its operations to the financial districts over which the various Intendants presided and which came to be known as the *Généralités*.

You should propose it to them as from yourself, and make them understand that it is to their own interest. That is the only outlet, so far as I can see, which they will find for these cards, to which they will have to come in the end, and possibly they will be praying to have them received in this way.

You should both apply yourselves towards seeking every possible expedient and method in connection with this matter, for the King is by no means in a position to sustain the colony in the manner requested by Messrs de Vaudreuil and Raudot, in the letter they wrote last year. Seek diligently for expedients, therefore, take counsel as on your own account, and report to me what you may devise.

You see why I acquaint you with the limit of my power. It should convince you that you must seek every means possible to reduce the cards, of which I wish you to send me an exact account.

[Not signed.]

REVIEW OF THE FINANCES OF CANADA

MEMORIAL ON THE PRESENT STATE OF CANADA¹ [1712]

Let us turn to the management of the finances. They consist of the *ferme* of the Domain of the West, of the goods and merchandise which pass from France to Canada for the account of the King, and of the cards which are issued in the country to supply the lack of coin.

Needless to say, the excessive issue of these civic and district securities gradually depreciated them to nearly the same level as the national securities. Such, then, were the securities which it was proposed to have the holders of Canadian bills of exchange accept in default of their payment in cash, the national treasury being, as confessed, practically bankrupt.

¹ This memoir, without date or signature but produced in 1712, is a very lengthy one covering almost every phase of Canadian affairs. Mr. Marmette of the Canadian Archives, who examined the original in Paris observes in his calendar of these documents, Archives Report for 1886, p. xliii, "A marginal note attributes this most curious and interesting paper to Mgr. De St. Vallier. A second note signed "M" (Margry, doubtless) attributes it to Sieur D. Auteuil, Procureur Général, an enemy of Raudot and dismissed by him." The point of view from which the subjects are approached, the clever but somewhat truculent manner of treatment, and the strong personal bias shown in favour of the former Intendant, Champigny, and against Governor Vaudreuil and the subsequent Intendants, Beauharnois and the brothers Raudot, as also their relative and patron the minister, Pontchartrain, undoubtedly point to one of two persons as the author of it, namely, D'Auteuil the younger, the Attorney General, (see note 1, p. 11), or Riverin the agent of the colony in France (see note 1, p. 129). Mr. Marmette, referring to a subsequent memoir of a very similar range and with a similar personal bias, that of 9th December, 1715, which was signed by D'Auteuil (see p. 11 and note 2, p. 325) gives it as his opinion that these two memoirs are not by the same person. Internal evidence, however, and historical circumstances, including the change of government incident to the death of Louis XIV which intervened between the preparation of the two documents, would seem rather to favour the view that D'Auteuil had written the earlier one also. If not, however, much the most probable alternative is that the present memoir was prepared by Riverin, whose intimate knowledge of the conditions discussed and whose general style of treatment and personal bias are all in accord with the views expressed in the memoir.

Of the first three features, the Intendant has complete charge, without needing to consult anyone, but the cards are not current if they are not signed by the Intendant, by the Treasurer in charge, and with the seal of the Governor.

The *fermes* of the West are charged with contributions, by order of the Intendant, of 90,000 livres per year. This is called the indispensable expenditure of the country. The remainder of the sum total of the *ferme* passes to the benefit of the King without participation by the Intendant who apparently could not misappropriate these 90,000 livres.

The goods and merchandise which come from France to Canada for the account of the King consist of wines, spirits and tobaccos, powder, shot, arms, cloth, blankets from Normandy, red and blue Limbourg cloths, and an infinite number of other things, intended for the presents necessary for preserving the friendship of the Indians, and to make up possible deficiencies in the subsistence of the troops.

All these goods are put in charge of a storekeeper who is accountable for them to the Intendant only: who alone controls the disposal of them, since the Governors have no longer the right to draw from this source presents for the Indians.

It is impossible to realize the profits that can be made with opportunities so extensive and so open to corruption, without examining the storekeeper's accounts and those of the business done each year, but it will suffice to say that every year the King is charged with 15,000 livres for the mere transportation of these goods from one place to another in Canada—as from Quebec to Montreal and so on—without counting the exceptional expenses, although the custom is to use the troops for this transportation without any extra pay: for these *corvées* there is a number of soldiers and specially detailed detachments.

The money sent from France to Canada consists of 150,000 livres, intended for the subsistence of the troops: in addition about 150,000 livres intended for the expenditures termed "ordinary," fortifications, salaries of the Governor, of the Intendant and so on.

The King's purpose is that these 100,000 écus should actually be sent every year from France to Canada, since they are in fact shown every year in the Treasurers' accounts as if they had been sent there, and indeed, they were sent there in coined money or its equivalent in goods until 1698 or thereabouts. They commenced from that time to keep the funds in France and the Treasurer of Canada paid in cards for the articles for which the funds were intended. Afterwards they redeemed the cards by means of bills of exchange of equal value drawn on the Treasurer-General of the Marine.

These bills of exchange were at first paid very regularly at their maturity, later very irregularly, and finally not at all. As a result, these funds have always remained in France and have always been shown on the books of the Treasurers-General of the Marine, although for several years none have come to Canada, either in the shape of money, goods, or through bills of exchange, concerning which it must be observed that when they were in use, M. de Vaudreuil used to have them publicly traded in on the market at 8 per cent, through Antoine de la Garde, merchant, of Quebec.

In order to make known what this trade in bills of exchange is, it is proper to explain what the cards are, the use made of them, the results they have produced in Canada and the condition they are in today.

The cards commenced under the Intendancy of M. de Champigny,¹ who left Canada in 1702. It was he who bethought himself, during the scarcity of coin, of supplying the lack with playing cards, on the backs of which two inscriptions were placed, the value of the card or its denomination and, below, the seal of the Governor and the signatures of the Intendant and the Treasurer in charge.

These cards circulated in place of money, and when the Treasurer had funds he redeemed the cards in coined money, and when that became scarce by bills of exchange.

This business went on thus during the Intendancy of M. de Champigny, and on that basis was useful to the country.

Its abuse commenced under M. de Beauharnois, a relative of M. de Pontchartrain, at which period the total amount of the cards exceeding the amount which the treasurers could redeem, the excess remained at the expense of the country, in the trade of the inhabitants. That gave rise to the traffic in bills of exchange, which the Governor conducted in public on the market, and the Intendant and the Treasurer in secret.

But today, when by this traffic the coins are drained away and have become very scarce, those coming from Canada say that when M. de Vaudreuil learns that a man has a silver spoon or fork he sends and seizes it and forces him to take a card in payment.

In addition to the inhabitants being forced to take them under the penalty of a fine, there being no prospect of their conversion into bills of exchange, since the funds on which bills were customarily drawn are consumed in France without any going to Canada, these cards have multiplied infinitely, the more so as [they are] the sole money with which the Governors and Intendants have paid for the wines, spirits, peltries, salt, grain, hogs and all the other supplies in which they have publicly trafficked for ten years. The consequence is that, since they have always controlled the issue of the cards to whatever extent they pleased, it is impossible to determine the total amount with which the country is at this day burdened, without means or hope of deliverance but in danger of total ruin if they end in repudiation.

This disorder which had begun under M. de Beauharnois has only increased under the Messrs Raudot, father and son, still nearer relatives of M. de Pontchartrain, and it is they who are responsible for the terrible state that things are in.

But these gentlemen, not content with all the profit above mentioned, judged it convenient to ask from the King and to obtain from the Minister an extraordinary appropriation of 90,000 livres for the year 1709 under pretext of special fortifications and war parties.

It is necessary to observe that there has been a customary amount of 25,000 livres per year for fortifications charged in the King's accounts from the year 1690, which ought to have accomplished a good deal, when one considers that it is the custom to make the *habitants* work there by *corvée* without food or other compensation except some little tobacco or spirits each week,

¹ Even those quite intimately familiar with at least the more recent official records of the colony, as the writer of this memoir undoubtedly was, were liable to fall into error in matters of comparatively recent colonial history. Not Champigny, but De Meulles introduced the card money, see pp. 69-73. The error here introduced was afterwards embodied in an official review of the introduction and development of the card money, in a memoir of Council presented 12th April, 1717, see p. 377. It was this latter document which evidently misled Charlevoix and other early historians who touched on the card money. See note 3, p. 69.

and the soldiers for a very small addition to their pay:—which is withheld at pleasure and the claim for which, under divers pretexts, is very severely punished. There is also a sum appropriated every year for the establishment under the heading “extraordinaries.”

The [war] parties involve some provisions, some few maps, powder and shot and result in nothing but pillage on the part of the soldiers, and presents to the Governor—who receives them and returns none, since he can no longer take the wherewithal to make them at the expense of the King. Moreover he sends out his war parties only as a bait and when the Indians come before him to make complaint, he says to them, through the interpreters, that their father is grieved, that he weeps and cannot be appeased unless they send him finer tokens and peltries. Such are the complaints which they make very strongly, whilst they withdraw full of contempt for him and of indignation, and disposed, conjointly with the English, to make war on us:—which the Court wished to avoid, for it is certain that M. de Vaudrenil had very precise orders to send out no war party. Thus one has no difficulty in judging of the soundness of the pretexts sought for asking in 1709 for an extraordinary appropriation of 90,000 livres for war parties and fortifications. Its disposal is not entirely unknown or whether it was obtained on the same basis in the following years.

[Not signed.]

SUGGESTIONS FOR IMPROVING THE CREDIT OF CARD MONEY

M. Bégon. 12 November, 1712

MY LORD

It would also be a great benefit, My Lord, for this colony and for His Majesty's service, if all the funds appropriated were remitted in the shape of goods purchased in France at the current price, as this would be an assured means for the retirement of all the cards. This would not involve a burden either to His Majesty or to the public, it being certain that the profit which His Majesty would find therein would be considerable and would suffice to redeem and have burned every year, enough cards to restore their credit, so that in a few years, the number being greatly reduced, they would be sought for, and people would not as at present overcharge for the goods which are paid for with this money, and gradually all the cards would be retired. I would have the honour, My Lord, to send you at the end of each year, a statement of the purchase in France and of the sale in this country of these goods, in order to let you know the profit there would be therefrom, and I would attach the official report of the amount of the cards which I had burned for this profit.

*It is certain, My Lord, that one could not put in operation, without bringing about the ruin of this country, the expedient proposed to you of abolishing the cards, by inducing those who are burdened with them to take in payment bills of exchange on the Treasurers General of the Marine in order to convert them into debentures on the Hôtel de Ville. The greater part of these

**In the margin:* An expedient must nevertheless be sought for retiring the cards.

cards are in the hands of merchants of this colony who can maintain their trade only by making their payments in bills of exchange payable in cash, without which their correspondents would cease to make consignments to them, as indeed the majority have already done since the bills of exchange on the Treasurers of the Marine are no longer paid. This is the principal cause of the excessive prices at which goods are held at present, and not only do the merchants suffer from this dearth but also the inhabitants who cultivate their lands. Being under the necessity of buying the clothing they require at quadruple what they have been accustomed to pay in the country, they are no longer able to provide for their families by the provisions they raise on their lands, nor can the artisans by their industry.

[Signed] BÉGON¹

Quebec, 12th November 1712.

¹ Michel Bégon, the younger, Chevalier, Seigneur de la Picardière, Murbelin, &c., Councillor of the King in His Councils, and of the Parliament of Metz, was the eldest son of a distinguished official of the Department of the Marine, bearing the same name. He was a relative of Colbert and had served with distinction as an Intendant in the West Indies. He was afterwards in charge of Marine affairs at Rochefort and La Rochelle during the decade between 1684 and 1694. He was also a noted naturalist, and that decorative family of plants, the begonias, bears his name. The son who became Intendant of Canada under a commission of 31st March, 1710, was early initiated into the details of the Marine service under his father. In 1686 he was a chief writer at Toulon where his father was for a time Treasurer of the Marine. In 1688 he was transferred to Rochefort in the same capacity and in 1690 he became a regular commissary of the Marine. On the 16th October, 1704, he obtained by purchase the position of Inspector General, which, together with the position of Superintendent of Supplies at Rochefort, he held until appointed to Canada. Although his commission as Intendant was dated 31st March 1710, his instructions were not issued until the 7th July of the following year 1711, and he did not arrive in Canada until the 6th October 1712. Before going to Canada he had under his direction all the supplies for the colony in the way of munitions, provisions, King's stores for Indian presents and for exchange. He was required to procure and ship such specie as was sent to the colony and to obtain and send out recruits for the military and other services in New France, including Acadia, Ile Royale, and Newfoundland. He was thus thoroughly familiar with all the economic conditions and relations of the colony. Whether or not, before going to Canada, he had been accustomed to turn his official position and special knowledge to his personal advantage in the way of speculating in provisions and supplies, is not very certain. But before he had been long in office as Intendant of New France we find, from the complaints of numerous merchants and others whose trade suffered from the economic competition of the Intendant, that he was taking an increasingly active part in the trade of the colony. By his critics it was claimed that most of this was for his own gain, but as maintained by himself it was for the general benefit of the colony. Thus, in an interesting letter to the minister of 12th November 1714, (*Série C^{III}*, Vol. 34, pp. 381-404) he takes no little credit to himself for having set up a bakery in the Intendant's place, at a time of scarcity and high prices for flour, from which he had produced bread at such relatively moderate prices as to drive the majority of the bakers out of business. In the same memoir he gives an account of various other activities which he is promoting and in some of which he is taking a personal interest; but all, he claims, for the general good of the country. There was no disputing his untiring activity, the fertility of his suggestions, and the thorough acquaintance which he displayed with every detail of the economic life of the colony. The only question was as to how far he was turning all this to his own personal advantage. In a letter from the minister to himself of 13th July, 1715, and in another to his brother, the Abbé Bégon, of 17th July, refusing to grant the Intendant the very exceptional favour, in those days of dire financial stringency, of having his salary paid in specie, the minister recites a long list of concrete cases in which Bégon is speci-

NECESSITY FOR USING CARDS AND PAYING THE BILLS OF EXCHANGE

Messrs de Vaudreuil and Bégon

MY LORD

Messrs de Vaudreuil and Bégon have received the private letter you did them the honour to write to them on June 26 last,¹ of which, in accordance with your orders, they have not made mention to any one. There is at present no other means of meeting the expenditure which the King orders for this colony than that of issuing cards, His Majesty having sent from Rochefort but very few supplies, and the agent of the officiating Treasurer General having found very few persons willing to take bills of exchange on the funds appropriated. In view of this, Messrs de Vaudreuil and Bégon are of opinion that it would be very dangerous to allow those who are burdened with these cards to gain the idea that the only means they will have in the long run to dispose of them will be to convert them into bonds on the Hotel de Ville. This will prevent them from making such a proposition to any one. They are confining themselves to inducing all those to whom money is due, who are very numerous on account of the borrowings that have been necessary this year, to accept in bills of exchange on the Treasurer the payment due to them, instead of giving them cards, as they pledged themselves to do. There will be very few who are willing to take bills of exchange, which may enable you to judge how very much they are depreciated since these merchants prefer the cards to the bills, notwithstanding the extreme need they have of making remittances to France, without which it is impossible to maintain their trade. This obliges them to let their goods go for half the price in bills of exchange when they are good, as when they are paid in cards, and to purchase peltries for which they pay one-third more than they sell for in France, although the freight is 200 livres the cask, and they also pay the insurance.

Messrs de Vaudreuil and Bégon, who have been much pressed by the merchants to repay them the sums which they have loaned to the King before

fically accused of employing the powers of his position and the King's stores in the most flagrant pursuit of personal gain. In the letter to himself the minister expresses the hope that he may be able to justify himself, but greatly doubts it as the complaints are so specific and numerous. He is also threatened with exposure to the King. In a few months, however, Louis XIV had passed and the minister was replaced; but Bégon seemed to have as many friends under the new administration as under the old. Notwithstanding his confession to the powers which succeeded, that he had traded on his own account, his control over the economic resources of the colony was extended, on the 30th April 1716, when he was appointed to the additional office of Commissary General of New France. This gave him command of the supplies for all the French dominions in North America. However, the new instructions issued to the Governor and himself, on June 16 1716, warned him that he was to give up the practice of private trading to which he had confessed. His undoubted ability and great usefulness to the government, apart from his avaricious desire for personal gain, led to his retaining the position of Intendant until the latter part of 1723 when he was ultimately recalled to be tried for some of the offences charged against him. Before he left Canada, however, he was appointed, on the 22nd February 1724, to be Intendant of the Navy at Havre. Two different persons appointed in succession to take his place as Intendant, Sieurs Robert and Chazel, died before reaching Canada. These mishaps resulted in his remaining in the country as acting intendant until the autumn of 1726. Incidentally we find a royal order issued 22nd June 1726, that Sieur Bégon, Intendant at Havre, formerly Intendant of Canada, being detained in that colony, proceedings are not to be taken against him in the courts of justice before his return.

¹ See p. 219.

the departure of *Le Heros*, as had been pledged, have nevertheless deferred making cards until after the departure of this vessel, in order to put those who find themselves in need of their funds under the necessity of receiving their repayment in bills of exchange on the Treasurers, having led them to hope that they would be settled for regularly. This however has had no great effect.

Messrs de Vaudreuil and Bégon have the honour, My Lord, to represent to you that there appears to them but one means of restoring the confidence which formerly prevailed as regards the bills of exchange drawn upon the Treasurers. That is, My Lord, that you should be pleased, by a private letter, to assure us that you will have those drawn next year paid, fixing at the same time the sums for which they may be drawn, and the date of maturity.

It appears to them to be indispensably necessary that the goods they request should be sent, and that bills of exchange be drawn for the balance of the funds appropriated, without which there will always be the necessity of issuing cards, this being the only other expedient for meeting the expenditure prescribed. But as we are not aware, My Lord, whether the state of His Majesty's finances will permit him to pay at maturity all the bills of exchange which it would be necessary to draw, we beg you very urgently, My Lord, to be good enough to confine them to the sum which you will be certain to have redeemed. Since if it should happen that these bills were not paid, after the assurance which we have given those who take them, it is certain that it would be useless for us to attempt to restore their credit in the future. Notwithstanding the necessity which there is of drawing them for the maintenance of this country, it would be less prejudicial to the service of the King and to that of the colony, that we should be deprived of this resource, than that they should be drawn and not paid.

.....
[Signed] VAUDREUIL BÉGON

Quebec, the 12th November, 1712.

M. RIVERIN'S TWO PLANS FOR RETIREMENT OF CARD MONEY¹

I.

PARIS 6 June, 1713.

MY LORD

I take the liberty of sending your Highness two plans with the object, although by different means, of withdrawing from the country the card money at present in circulation there. The first assumes new negotiations for the beaver, the second calls for the management of its own trade by the colony itself. In carrying out the first there would appear to be great difficulties. The chief of which is the smallness of the annual return on which one could base the proposed redemption, whilst on the other hand the idea of management by the colony itself gives prospect of a larger return, more certain and less troublesome in its execution; although one cannot deny, My Lord, that the aim of this redemption is liable to cause alarm, when one considers it in all its aspects. There is ground, however, for not despairing of success, if

¹ See also Série C¹¹ I, Vol. 34, p. 160 (*infra*), for a more detailed account of these two plans.

your Highness is disposed to entertain favourably the idea of the proposed management and afford it your protection on occasion.

[Signed] RIVERIN¹

II.

1713.

S^r Riverin sends two plans for retiring the card money.

By the first he proposes to make a grant of the beaver trade, on the expiration of the franchise of Messrs. Néret and Gayot which will end in 1717, inclusive, to oblige those to whom this trade may be accorded to pay 50^s a pound for dry and fat beaver, and to give only 30^s a pound to the merchants, inhabitants and Indians, so that there will be a surplus of 20^s per pound, which on the basis of 100,000 lbs. of beaver per year will produce each year 100,000 livres which can be applied to retiring the card money.

The difficulty is to know if any persons can be found who would be willing to undertake this trade on the basis proposed, besides the disadvantages there will be from a delay of five years before the commencement of a remedy for an evil which has become very pressing.

By the second, he proposes to place the beaver trade on the basis of a public management, on the expiration of Messrs. Néret and Gayot's franchise, and he finds the carrying out of this proposal easier and more useful.

He assumes that there can be sold in Holland each year 30,000 pounds of dry or fat beaver which he estimates thus

@ 5^s per lb. 75,000 livres

In France

36,000 lbs. of fat beaver @ 5 ^l 20 ^s	198,000	"
36,000 lbs. of dry beaver @ 4 ^l 20 ^s	162,000	"
	435,000	"

He proposes to pay 30 ^s a pound for all the beaver in Canada which makes for the above quantity	153,000	}
To which he adds for the cost of management and for freight and insurance	38,000	
	191,000	

So that, according to his memorandum he finds a gain per year of 244,000 "

which he proposes to use in retiring the cards. It were to be desired that the carrying out of this plan was as easy as M. Riverin believes. But beyond the

¹ See note 1, p. 129.

disadvantages of a delay of more than six years before one could hope to obtain some return from this plan, it would appear very difficult to secure its execution on account of the difficulty of finding suitable persons who would be willing to undertake it and enter into the necessary agreements for the payment of those who will deliver the beaver; moreover, it is much to be feared that the supposed surplus would be much diminished, as well by the lack of consumption as by the losses which cannot fail to occur on the goods and on the sale, particularly when the whole is in the hands, and under the management of stewards who never devote the same attention they would if the business concerned themselves personally.

[Not signed]

PROPOSED REDUCTION IN THE RATING OF CARD MONEY

*Versailles 3 July, 1713.*¹

COUNCIL

CARD MONEY

The helpless condition in which we have been for some years not having allowed of remitting funds for the expenditures of New France, the Governors General and Intendants found themselves under the absolute necessity of issuing card money to provide for them, hoping from one year to the other that the Treasurers General of the Marine would remit the funds appropriated:—which they have not been able to do up to the present. As they are not in a position to meet them, and as this money has fallen into such discredit that it has greatly increased the price of goods and supplies in Canada, which causes considerable detriment to trade and to the colony, it would appear that there is no other expedient to remedy this than to have this money converted into debentures on the Hôtel de Ville and on the provinces of the Kingdom. To induce those who are the holders of it to do this, it would appear necessary to order a reduction in the value of this money for purposes of trade, and at the same time to have it received at its face value by the agents of the Treasurers of the Marine, who would give the bearers of it their bills of exchange to be invested in securities.

This reduction could be ordered in two different ways. The first:—have it made only to the extent of one sol per livre this year and one sol per livre next year.

The second:—have it made to the extent of 2 sols per livre this year and two sols more per livre next year.

Both could be ordered and it could be left to the discretion of the Marquis de Vaudreuil and of M. Bégon to put into execution the one they judged the more suitable.

¹ An incorrect date; the council's deliberation as given, obviously forms the basis for the memoranda of the King, dated 25th and 28th June, 1713, and for the Minister's letter of 28th June, 1713, all of which follow.

RETIREMENT OF CARD MONEY BY CONVERSION INTO SECURITIES

MEMORANDUM OF THE KING

TO MESSRS THE MARQUIS DE VAUDREUIL, GOVERNOR AND LIEUTENANT-GENERAL
AND BÉGON, INTENDANT OF NEW FRANCE

VERSAILLES 25 June, 1713.

.....
The embarrassing position in which the finances of His Majesty are found, due to the wars which he has been obliged to sustain against the greater part of the powers of Europe, and which still continue against the Empire, has decided him to issue the proclamation which Messrs de Vaudreuil and Bégon will find herewith, ordering that the funds of the Marine up to and including the year 1709 be invested in securities on the Hotel de Ville of Paris, or in the acquisition of public obligations. He has consented to postpone the period fixed for this investment until the first of January of next year by another proclamation which they will also find herewith. Although His Majesty is informed that there is nothing due in New France up to the year 1709, nor for the public expenditure of the years following, he desires nevertheless that these two proclamations may be made public, in order that those traders who may have bills of exchange on France or other funds, may, in the case of conversion, give the necessary orders to their correspondents to take advantage of the period which remains, to invest them in this way.

The facility which has existed in Quebec for issuing card money, has made it possible, up to the present time, to meet the expenditures which have been ordered, although there has been remitted by the Treasurers of the Marine only part of the funds which have been appropriated, but there is no ground for hoping that these treasurers will be in a position to remit the funds necessary to retire all that money. But there remains so considerable a quantity of these cards that they exceed the requirements of the commerce of the country, and raise the merchandise and provisions which are brought from the Kingdom to a price which is very onerous for the inhabitants. His Majesty could have wished that Messrs de Vaudreuil and Bégon had been able to propose some suitable expedient to remedy the conditions. That which they have proposed, which is to have the funds remitted in the shape of merchandise, is not practicable for the reasons above set forth. Thus the only plan which remains is to convert into securities on the Hôtel de Ville of Paris all the card money above 400,000 livres which may be necessary for the commerce of the country. His Majesty is aware that the merchants and inhabitants will have difficulty in bringing themselves to this; and just because it may cause some derangement in the affairs of some of them, His Majesty for that reason does not wish to constrain them. On the contrary he desires to leave to them the fullest liberty, being persuaded that they will of themselves in the end decide the matter in this way, especially if Messrs de Vaudreuil and Bégon give them to understand how much His Majesty desires it, and that they should do it since it is the best course for them to take, because, not only will they enjoy the revenue from their cards, which will be surely paid to them,¹ but in addition, by this conversion, there will remain in the country

¹ See below, note 1, p. 247.

only so much of them as is necessary for commerce, whereby will be reduced the price of the merchandise and provisions which are brought from the Kingdom, and which they cannot do without. His Majesty cannot too strongly recommend Messrs de Vaudreuil and Bégon to give all their attention to securing the success of this plan, which is the only one which can be put in operation for relieving the commerce of the country, and restoring conditions to what they were before. They will be careful to render an account of what they do in the matter and of the disposition of the merchants and inhabitants respecting it.

.....

[Not signed]

CONVERSION AND REDUCTION IN RATING OF THE CARDS

I.

A letter from the Minister to the Marquis de Vaudreuil and M. Bégon

June 28, 1713.

I have already informed you, by two different letters, of the propositions which have been made to me to promote the investment of cards in annuities on the Hotel de Ville of Paris or on the general income from the revenues of the provinces of the Kingdom.¹ Since however, these measures might be too prolonged if it were necessary to wait until next year before putting them into operation, His Majesty, on a report which I have submitted to him, has deemed it necessary to order, from the present, the reduction in value of the cards, giving at the same time an option to the holders to invest them in securities on the basis of their face value. For this purpose, you will find herewith two memoranda from His Majesty.² By the first you will perceive that, dating from the day you receive them until the first of January next, he desires that cards of 20s. shall circulate or be received in trade for only 18s. and the others in proportion, and that during this period they may be received by the agents of the Treasurers General of Marine on the basis of their face value, and that they will provide for them bills of exchange on the Treasurers General to be converted into public securities, and that, commencing from the first of January 1714 and during the course of that year, these same cards may circulate in trade only at the rate of 16^s for a card of 20^s and the others in proportion, and that likewise they may be received during that year by the agents of the Treasurers, to be converted into securities, at the rate of 18^s for a card of 20^s, and the others in proportion.

The second contains the same provisions except that the reduction is less by one half, and His Majesty has deemed this necessary so that, in case you find the first too rigorous you may make use of the second, His Majesty granting you full liberty on that point. I am however to observe to you, that

¹ See p. 219.

² See the following document, also p. 259 and note 2, p. 259.
26541—16½

the former appears to me the more useful to secure the object desired by His Majesty, thus it calls for a careful examination and much attention on your part. To give this matter a good appearance and render it quite regular, it will be necessary for you to assemble the Superior Council and have registered that memorandum of His Majesty which you judge suitable for your purpose, and that afterwards you make a copy of it, below which you will place your ordinance directing and making public the said reduction.

The majority of those who hold these cards have acquired them from profits so considerable that, without doing them any injury, they might well be left to bear the reduction. His Majesty, however, always more concerned about the welfare of his subjects than about his own interests, is quite willing to assume the loss, by procuring for them the means of investing the cards in securities within the time prescribed, and they should appreciate this benevolence as evidence of the protection which His Majesty continues to extend to them, even to his own detriment.

If, however, you are of opinion that these reductions may cause some derangement in the colony, which may be injurious to the service and interests of His Majesty, he is willing to grant you the power to suspend them but should you make this decision you must at the same time find other means of withdrawing and abolishing the greater part of this money. I have already explained to you that it is impossible to expect the Treasurers ever to be in a position to remit the funds which they owe for past expenditures, or that they may be able to meet them here except in debentures on the Hotel de Ville. That consideration should entirely decide the putting into force of the reductions. I do not see that any one can discover any other means. Look well into all this and observe that so long as things remain in the state in which they are, as regards this money, the colony will suffer considerably through the dearness of goods and provisions, while, on the other hand, if once they were absorbed through the medium of the securities, we should be free to remit funds and to have the bills of exchange paid, which may be drawn for the expenditures which may be ordered for the future. By this means, matters may be re-established as they were formerly.

You will observe that His Majesty excludes from the reduction the cards which have been issued by M. Bégon, because he hopes to be able to remit the funds for them, which he will do as soon as it is possible.

You will take care to have a report made to you on the first of each month, by the agents of the Treasurers, of the lists of bills of exchange which they have furnished and the cards which they have redeemed and which you will burn immediately.

[Without signature]

II.

Rambouillet, 23 June, 1713.

MEMORANDUM OF THE KING

TO THE MARQUIS DE VAUDREUIL, GOVERNOR AND LIEUTENANT GENERAL AND
M. BÉGON, INTENDANT OF NEW FRANCE

His Majesty, having been informed that the card money which they had been obliged to issue in New France, to meet the expenditures which had to be

undertaken for several years in that country, is causing considerable injury to the colony and to trade, because the discredit into which the cupidity and avarice of several merchants have caused this money to fall, has given occasion for considerably enhancing the price of the goods and provisions which are consumed; as it is necessary to apply a remedy and to make an end of the injury which it is causing to His Majesty's subjects, he has resolved to reduce the rating of this money, and he desires that, from the day Messrs de Vaudreuil and Bégon receive this despatch until the first of January next year, all the card money which was issued up to the first of October 1712 be reduced and be received in trade for not more than 18s. for a card of 20s. and the others in proportion, and that, commencing from the said first day of January next, the card which will then be reduced to 18s. may be received in trade only at the rate of 16s. and the others in proportion.

Although His Majesty is reliably informed that these reductions will not be a hardship to those who are holders of these cards, on account of the immense profits they have made on the goods and provisions which procured these for them; nevertheless, His Majesty is willing to assume the loss on those which the public may wish to invest in debentures on the Hôtel de Ville of Paris or on the provinces of the Kingdom. To this end he wishes Messrs Vaudreuil and Bégon to direct the agents of the Treasurers of the Marine to receive the cards which may be brought to them by all parties without distinction, and that they will provide them with bills of exchange on the Treasurers General of the Marine to be converted into public securities: that is to say, up to the first of January next, on the basis of the value which the cards have had up to the present, and during next year at the rate of 18s. per card of 20s., and the others in proportion. His Majesty will acquaint them next year as to the reductions which it will be necessary to make for the following years. In the meantime, he wishes Messrs Vaudreuil and Bégon to make public the substance of the present memorandum and to give attention to its execution. His Majesty wishes that the cards which have been issued since the first of October 1712 be received and circulated in trade without any reduction and on the basis of the rate at which they have been issued, allowing, nevertheless, those who are holders of them the option of putting them into public securities if they so wish.¹

Done at Rambouillet June 28, 1713.

¹ Notwithstanding the benevolent assertion that the King was prepared to bear part of the loss on the cards, in offering their conversion through bills of exchange into public securities at a premium on their reduced rate in circulation, there were few to take advantage of this apparently advantageous offer. See, for instance, *Série B*, Vol. 36-6, p. 82, 22nd March, 1714 (p. 261), in which the minister, writing to the intendant, observes with regret that the offers of the King have been accepted to the extent of only 80,523 livres of the cards, although they were outstanding at the time to the amount of over one million. There was undoubtedly some connection between this backwardness on the part of the holders of the card money and the fact that the interest on the debentures offered had been falling into arrears, until, in 1710, the minister had frankly to suspend the payment of the arrears, thereby causing a great commotion in Paris. Moreover, in that year also, the interest on all public securities was reduced to five per cent. and in 1713, the very year in which these specially attractive offers were being made to the holders of Canadian exchange, the interest was reduced to four per cent. See also note 2, p. 267, on Desmarests, Minister of Finance at this time.

PROPOSALS FOR WITHDRAWING THE CARDS

Rambouillet, June 30, 1713.

MARQUIS DE VAUDREUIL AND M. BÉGON

GENTLEMEN:—

I wrote to you on the 25th of this month setting forth the proposition made to me to effect the retirement of the card money. It is claimed that the proposed diminution of a sol per livre is not great enough and will not produce the necessary result, but that it would be necessary to make it at least two sols per livre annually.

Since that time three new propositions have been made to me to bring about the abolition of these cards. I am sending them to you herewith, in order that you may be so good as to examine them and give me your opinion. It appears to me that the one which I have just expressed to you, to make the diminution of two sols per livre instead of one sol, would be the most suitable. Those relating to the beaver appear to me to be too difficult of execution, and, besides the fear that it would not be successful, the assistance that might be derived from them is too remote for an evil so pressing. I shall await your opinion on the whole matter before coming to any conclusion, but I must nevertheless say to you that it is necessary to come to a decision and put the business in proper order.

I am &c.

[Not signed]

DISPOSAL OF THE VARIOUS ISSUES OF CARD MONEY

Versailles, July 1, 1713.

To M. BÉGON

I have indicated to you by my letter of the 19th of last month¹ the intentions of the King respecting the cards in Canada. You will find there enclosed two memoranda of the King on the subject, and it appears to me at the same time absolutely necessary that you and M. de Vaudreuil should put one or the other in operation, according to the option which His Majesty has left to you both.

I have no doubt that the carrying into execution of one of these two memoranda will oblige all the holders of cards issued up to October 1, 1712, to remit them to the Treasurer to draw bills of exchange for them, on France, and that, in this way, you will find yourself in a position, after the departure of the vessels, to burn a great quantity of these cards. You will please make exact reports of these, which you will send to me next year.

With regard to the bills of exchange, it is necessary that you send to me a statement of those which are drawn on each treasurer, and that you be careful that there shall not be given bills on each treasurer for a greater amount than he needs to balance his account with his agent.

¹No despatch of this date on the subject of the card money has been found. Apparently, either the date given should be the 28th June, or the despatch referred to covered practically the same ground as the latter, including the two memoranda referred to. See *Série B*, Vol. 35-4, p. 288, 28th June, 1713 (p. 243).

There are four different kinds of cards in Canada, those made by M. de Champigny, those by M. de Beauharnois, those again by Messrs Raudot, and those you have issued since your arrival in the country. Those made by M. de Champigny are owing, partly by the Company of the Colony, and partly by private individuals. The King will be paid what is due to him in this connection by the colony, by means of the order which he is giving you in the joint letter, to have the quarter increase in the price of the beaver retained to serve for this payment, after the salary of M. Riverin has been fully paid. Those issued by M. De Beauharnois were prepared at first to pay the regular charges in Canada, and part of the outlay of the Marine, by an arrangement, made at the time with the sub-lessees of the Western Domain. They repaid the amount, which had been paid by these cards, so that at present they are now a debt due by the King, having afterwards been employed to pay the expenditures of the Marine.

Those which were issued by Messrs Raudot are due almost entirely by the King. There is only a sum of thirty odd thousand livres due by Sr Petit. I am writing to you a special letter on this subject, based on one written to me by this treasurer, who asks to be allowed to pay what he owes. Thus I consider that, with the orders I am giving you, you will complete this business on the arrival of the vessels. The King desires that these three kinds of cards be reduced in value, but received in the meantime at their face value by the treasurer, who will give those who are the holders of them bills of exchange on France. It would appear that the issue of M. Champigny should not have this advantage, since they are not due by His Majesty, but public faith requires that no difference should be made between these cards and the others. Moreover, this would be almost impossible since they are mixed up with those of Messrs Beauharnois and Raudot, these intendants having been obliged to issue new cards to take the place, in part, of those of M. Champigny; so that it is necessary for you to have them received with the others indiscriminately by all the treasurers, and that the latter give bills of exchange for them. This will make an overplus if all the cards are taken to them, and in order to keep account with the treasurer in office next year, who will have drawn bills for this overplus of depreciated cards, which can be of no use to him to meet expenses, you must therefore exchange these with him for new cards which you will issue, and you will burn the overplus. But before doing this you must see, from the report of M. Champigny, the quantity of cards he issued, and must ascertain from the reports of the cards which have been burnt in accordance with his report, the number which should remain either in his own cards or in those of M. de Beauharnois or Raudot, it makes no difference which, because they are owing according to his said report. This is what must be your guide for the cards which you will have to issue for this surplus.

The treasurer who draws for these cards can give bills of exchange on M. de Champigny at sight. They will be immediately paid by certificates for securities on the City of Paris or on the provinces. I am pleased to notify you that these securities on the city cannot be issued for less than 1000^{li} principal; with regard to the provinces, they are issued for such sums as may be desired. It will be necessary for you to make a statement of all the cards of M. de Champigny which are still due. Where you insert the names of the debtors, I beg you to indicate the reasons for which they have not been paid

until now. I know that M. de Monseignat¹ is charged with the collection and that he has done what he could to succeed. Encourage him to follow up this business. Give all the orders in the matter which you believe to be just and reasonable, and indicate to me such as you may consider it necessary for me to issue in order to effect the liquidation of this portion of the cards. I cannot recommend to you too great attention, particularly to what I have indicated in this letter.

You should recommend an equal assiduity to the treasurers in receiving these cards, that they do not take in any counterfeits, for I know some were formerly made in Canada. Instruct them also, I pray you, to give all the facilities possible for a prompt despatch to the holders of these cards.

[Not signed]

CONVERSION OF CARDS STILL URGED

VERSAILLES 3rd July, 1713.

To M. BÉGON

.....

I am persuaded, as you are, that the discredit of the card money is causing a great increase in the prices of merchandise and peltries, and that it is very important for commerce to withdraw a large portion of these cards. I have requested you to consider the means which may be employed to that end. That which you propose, of sending out a large amount of merchandise at the current prices, and having the bills of exchange paid by the Treasurers to the amount of the sums they owe, is not unknown to me, but you are well aware that it is not practicable. If it were, I should not have written to you to devise and propose other expedients. You will see by the King's memorandum what His Majesty wishes, namely, that you encourage those who have cards to take for them bills of exchange on the treasurers, in order that they may be subsequently converted into securities. I shall not repeat to you all that is contained therein on this subject, I will content myself by saying to you, in order to draw your attention to the execution and success of the scheme, that I do not foresee that other means can be discovered for the retirement of these cards, nor that the treasurers will ever be in a position to be able to provide the amount they owe for the past, except by the means of securities, because they cannot be given other funds. But when they have liquidated the obligations of past years in the manner I propose, I will take measures for the future, so proper that the funds will be remitted as they used to be before affairs had come to the condition in which they have been for some years.

[Not signed]

¹ He was Controller of the Marine and manager of the *ferme* of the Western Domain. See note 1, p. 93.

NECESSITY FOR WITHDRAWAL OF CARD MONEY

MY LORD

.....

It is an indispensable necessity, My Lord, to withdraw all the card money, as much to learn the amount of it there is in circulation as because there is a large quantity which is so worn that the writing and stamps can no longer be distinguished, which offers an opportunity for counterfeiting it, there being much false money scattered about, although all the measures necessary are taken to discover those who fabricate it; it is a great labour but absolutely necessary; we hope to have it finished during the course of next year and to be in a position to give you an account of the quantity which has been withdrawn.

.....

[Signed] VAUDREUIL BÉGON

Quebec, 15th November, 1713.

DESTRUCTION OF THE REGISTER OF CARDS ISSUED

MY LORD

I have the honour to send you hereto attached, the statement of the trading carried on this year at Fort Frontenac in accordance with the order it has pleased you to give me regarding it. From it you will learn, Sir, that the peltries which were obtained were sold still higher than last year—a result of the discredit into which the card money has fallen. The merchants, not knowing in what to make their returns to France, have raised these peltries, by competition, three times beyond the amount of their real value.

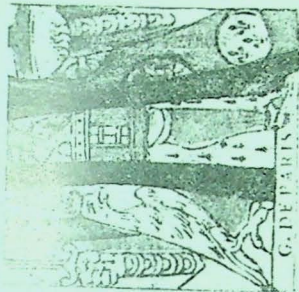
This trade was not as good as it might have been if there had been at that Fort assorted merchandise of good quality. It is certain that at the present time it would be very advantageous to the King if there were in his Majesty's warehouses goods suitable for trading. It is very regrettable that the ship *Le Prince* did not arrive, as it would without doubt have brought these goods. I do not know what means M. Bégon will find of sending there those which are necessary to enable [the trade] to continue, for the merchants do not want to sell anything for cards at less than 300 to 400 per cent profit.

For the same reason M. Bégon will also find himself hard put to it to provide the soldiers with the clothes which are absolutely necessary to prevent them from freezing this winter, for they are all almost naked. All the papers which M. Raudot had committed to my charge at his departure, were destroyed in the burning of the Palace, and even the Register which contained the official statements of the cards that were issued, and of those that were burned, from 1702 to 1711 inclusive. I had fortunately, before this fire, compiled a statement from this Register, which shows all the cards that were issued,

M. de la Roche de
Cachete du Roy
Chy du gouverneur
de la ville d'Antoydan
avec les signatures
qui sont icy figurées

17 11.

Duplessis
Boulafomme de
vingt-Livres
Vaudrevil Begon



Duplessis
Boulafomme de
vingt-Livres
1714.
Vaudrevil. Begon.



Duplessis
Boulafomme
de quinze sols
1714.

Quinze
sols
deux
quatre Livres



Duplessis
Boulafomme de
vingt Livres
1714.
Begon.

Card money. Issue of 1714.—Monnaie de carte. Emission de 1714

those burned during that time, those that remain in trade, and, finally, those who owe them. There must have been some official minute of the preparation of the cards which was not copied into this Register, for there appears to be due a greater quantity than appears to remain in trade. I have sent this statement to M. Bégon who has the honour to send it to you. I am, with much gratitude and deep respect,

My Lord

Your most humble, most obedient and obliged Servant

D'AIGREMONT¹

Quebec 15 November 1713.

François Clairambault d'Aigremont, or Daigremont, appears first on the Canadian stage in 1701, when, under letters of the King of 1st June of that year, he was appointed commissary of the Marine in New France in the place of M. la Touche. In this capacity he proved exceptionally reliable and efficient. Hence, when, in 1707, owing partly to the difficulties of finding honest and efficient administrators at the western posts, but more particularly to the constant disputes and counter charges between the governor and intendant at Quebec and Cadillac at Detroit, it was necessary to send someone to make a thorough first-hand investigation of affairs at all the western posts, Daigremont was chosen for this very responsible and delicate task. On the 13th June of that year, 1707, the minister announced to him that he had been selected by the King for this commission, which included the posts of Catarqui, Niagara, Detroit, and Michilimackinac. Quite detailed instructions were given to him. In addition to the personal factors in the case he was to examine and report upon the economic conditions and resources of the posts and the proper policy which the government should adopt towards them. In a subsequent letter, of 13th July, the minister specially impressed upon him the importance of his mission and the need for a thorough and reliable report, as upon it would depend the decision as to whether the government would retain these posts or dispose of them. These letters and instructions are given in *Série B*, Vol. 29. Daigremont's report of 14th November, 1709, is given in *Série C*¹, Vol. 29-1. When, in the latter part of the year 1710, Raudot received notice that the following year he was to be replaced as Intendant, he immediately threw up the position, transferring his functions to Daigremont who had acted as his deputy or subdelegate on several occasions. Daigremont therefore discharged the duties of Intendant from that time until October 1712, when relieved by Bégon, who immediately commissioned him to act as Controller of the Marine in Canada. The minister, writing to him July 2nd 1713, says he has nothing but praise for his services. The same approval is expressed regarding him in a letter of the following day to the Intendant. He seems to have acted as agent of the Treasurers General of Marine in 1713-14, apparently at Montreal where also we find him for some time previous to 1728 acting as deputy for the Intendant. By that time the amount of business requiring the attention of the Intendant at Montreal had become so great that it was not convenient to await the temporary visits from that officer, nor could he be so easily spared from the increasing duties of the office at Quebec. After the change of government in France, incident to the death of Louis XIV, we find Daigremont applying to the Duke of Orleans, the Regent, for a renewal of his commission as regular commissary of the Marine. When Bégon was recalled in 1724, Daigremont was not instructed to replace him, Bégon receiving two successive instructions to remain as acting Intendant until the arrival in 1726 of the third appointee as his successor. Daigremont, however, was serving officially at the Intendant's palace when it was burned in 1725, it being announced that he had lost a considerable quantity of personal property in the fire. When, however, Intendant Dupuy was suddenly recalled in 1728, Daigremont was instructed by the minister, 2nd June, to take over the duties of Intendant until the appointment of a successor. He acted under the title of Controller Commissary, or Intendant Commissary,—the term which was now being applied to the officer discharging the functions of an Intendant but not of the full rank, as, for instance, the officer discharging those functions at Louisbourg, or at Montreal, or temporarily at Quebec. Such was also the grade first occupied by Hocquart when appointed to succeed Dupuy in 1729. Daigremont was at the time of

PROPOSALS FOR REDUCTION IN THE RATING OF CARDS

VERSAILLES 19 March 1714.

TO THE MARQUIS DE VAUDREUIL AND M. BÉGON

I sent you last year two memoranda from the King¹ for the reduction in value of the card money, which His Majesty had then ordered as the one and only means of remedy for the great injury the discredit of this money was causing in the colony. The vessel by which I had sent these despatches having put into Brest after a very trying month at sea, and the season being too far advanced to continue her voyage, it has not been possible to give effect to these two memoranda (which you will receive this year) and they become useless. You will thus be good enough to suppress them and return them to me.

You will find hereto attached two others which His Majesty has deemed it mete to substitute for the first two.²

.....

You will observe that His Majesty exempts from the reduction the cards to be issued for the expenditures of this year and next year, because he will take steps to have the funds sent out to pay them and to have bills drawn which will be regularly paid. It is thus necessary that you sharply distinguish these new cards. On this point, I may say to you, however, that His Majesty, after having exhausted his resources in the war he has waged, is not in a condition always to spend the same amount on New France. It would appear just that the people should pay at least a portion of these expenses.³ It is on such grounds that you should urge them and employ every means to succeed in that design.

.....

[Without signature]

Dupuy's recall acting as deputy of the Intendant, at Montreal, and M. de Silly was appointed to take his place at Montreal during his absence. While acting Intendant in 1728, Daigremont issued several ordinances, among them one of October 28th, fixing the price of beaver. Daigremont died at Quebec 14th January, 1729. Unaware of this, the President of the Navy Board, writing to him on the 12th April 1729, gives expression to the first note of criticism of his administrative functions, in declaring his dissatisfaction on account of the very meagre information which he had furnished with reference to the operations of the Treasury at Quebec. On the arrival of Hocquart, he is instructed to return to Montreal to resume the function of deputy or sub-delegate of the Intendant at Quebec.

¹ See pp. 241 and 245.

² Here follows, in substance and to a large extent in the same words, a proposition set forth in the letter to Bégon of 28th June, 1713, for withdrawing the greater part of the card money in Canada. See above p. 243. As an inducement to return the cards for conversion into bills of exchange, which in turn were to be converted into public securities, a gradual reduction of their face value was ordered. In this document the reduction proposed is greater by two sols in the livre than in the former. Thus, in the former the twenty sol card was to be reduced to eighteen, here it is to be reduced to sixteen, and where, in the former, it is to be taken at par it is here to pass at eighteen sols.

³ In another portion of this despatch referring to the great cost of the wars which the King was then waging, it was claimed that these were as much to the benefit of the colony as of the kingdom, and that it would be only fair to levy a war tax upon

CONVERSION OF CARD MONEY INTO SECURITIES

VERSAILLES, 22 March, 1714.

TO M. BÉGON

I see by the statement you sent me that last year bills of exchange were drawn for the sum of only 80523 livres, which were to be met by the purchase of securities on the Hôtel de Ville. The alteration that has occurred in these securities, by reason of the economy that His Majesty has been obliged to effect, does not permit of acquiring new ones on the Hotel de Ville of Paris, but I have had in mind to propose the creation of some on the corporations of the Provinces at four per cent,¹ without any reduction. The King agreed to it and the Edict will be issued at once. I will take pains to send you some samples of it. These 80523 livres will be converted into provincial securities as well as those to be drawn in the future and the arrearages on them will be regularly paid through the adjustment to be effected in the finances.² I am chagrined that your efforts among those who

the people of Canada. The proposition to levy taxes upon the Canadians for the support of the imperial revenue was urged on numerous occasions. For instance, in an undated document of about 1703, the matter is discussed with much detail and various propositions for direct or indirect taxation were passed in review. (See *Série C¹ I*, Vol. 22, p. 153.) The Governor and Intendant were sometimes directed to prepare the people for the levy of such taxes. The minister, writing to Bégon, 8th July 1713, declares that the colonists should contribute to the expenses of the colony. The best plan would be to levy a tax of one tenth on their property. (See *Série B*, Vol. 35.) The King, writing to the Governor and Intendant March 19, 1714, declares that the settlers must contribute towards the expenditure of the country either in money or in produce (*Série B*, Vol. 36). The Canadian authorities, however, always expressed grave doubts as to the feasibility of any such policy, owing to the strenuous opposition which would be encountered. With reference to this there is an interesting statement, of 26th October 1720, from the Governor and Intendant to the minister, setting forth the difficulties met with in the attempts to collect the special taxes levied on the inhabitants of Montreal, towards the partial payment of the cost of erecting the city walls for the protection of their persons and property. (See *Série C¹ I*, Vol. 42, p. 51.) During the years 1733 to 1736 the minister Maurepas, see note 1, p. 537, made a determined effort to introduce a system of imperial taxation in Canada, notwithstanding that Beauharnois and Hocquart advised strongly against it. They feared that it would meet with such strenuous opposition on the part of the people as might lead to resistance by force. When reduced to a concrete proposition, it was held that such an additional body of troops would be required to enforce the levy of the taxes that it would cost at least one hundred and forty thousand livres per annum to collect about forty thousand livres in taxes. In the face of such a situation the minister reluctantly gave up the idea of imposing a tax at that time, 1735, but instructed the Governor and Intendant to familiarize the minds of the people with such a project, that it might be renewed later. Similar instructions to these authorities were repeated the following year, 1736. The views of the minister, as indicated above, are set forth in the following documents: *Série B*, Vol. 59-1, p. 205 and p. 222; Vol. 61-1, p. 185; Vol. 63-1, p. 194; Vol. 64-3, p. 506.

¹ As indicated in note 1, p. 221, the French system of finance regarded funds or securities more from the point of view of income (*rentes*), than of capital invested from which the income was derived. Thus, a certain revenue being appropriated, or estimated to arise from certain taxes, the question was as to how large a present fund could be obtained for this at a certain annuity or interest and for a certain period. This was calculated at so many times the annual revenue available for interest. Thus, a revenue of 100,000 livres per annum which would procure a capital sum of 2,500,000 livres, for say twenty years, was stated to be "au denier 25", representing an interest of four per cent. The same revenue procuring a loan of 1,200,000 was said to be "au denier 12", representing an interest of eight and one third per cent.

² See note 1, p. 247.

are holders of the greater part of the card money have not had the success which one might have hoped for, and that they persist in wishing to keep the cards. However, as matters in regard to this can no longer continue in the state in which they are, it is very necessary that they should determine to convert them by purchasing securities, unless they prefer to bear the reduction in value of this money. You will see by the King's Memorandum, the means that His Majesty has thought it will be expedient to use to induce them to do this, without, however, it appearing that there is any wish to force them—since complete liberty¹ in the matter is to be allowed them. You will also see by my letter in common to M. de Vaudreuil and yourself² what I have to say as to the proposal you made, to have 150,000 bills of exchange drawn every year payable in money, for which 300,000 livres of cards would be provided.³ I shall not repeat to you what that despatch contains which must be held absolutely secret.

.....

[Not signed]

REDUCTION IN VALUE OF THE CARD MONEY

VERSAILLES, 22 March, 1714.

TO MESSRS DE VAUDREUIL AND BÉGON

I shall commence by telling you that this letter is absolutely not to be seen, except by you, and is not to pass into other hands. It concerns the one I wrote you today,⁴ to which are attached the two ordinances⁵ on the reduction of the cards. His Majesty wishes you to put into force that which you judge the most suitable, unless you should find in it defects which one cannot possibly foresee from here.

You will recognize sufficiently what is likely to happen from what occurs when the rumour spreads that this Ordinance is going to be put into effect. It is however the only means, according to my way of thinking, of reducing the quantity of the cards in New France, and which cause the greatest injury to trade. Although this Ordinance may be in force I shall not desist from taking measures for putting into effect the expedient which M. Bégon proposed, of having 150,000 livres drawn in bills of exchange with which 100,000 écus in cards will be retired in Canada, and in that time the cards will be worth the same value at the Treasurer's as before the reduction. I will do still better as regards the cards, if it is possible.

If this expedient does not succeed (which however I do not believe, in view of the measures I am going to take), His Majesty, if you consider it suitable, can order that these cards be received at the Treasurer's next year

¹ The "complete liberty", so carefully guaranteed to the holders of the Canadian card money, appears to have been analogous to the freedom vouchsafed to political victims in China as to the selection of their method of committing suicide.

² See following document.

³ This is the first mention of the proposal, afterwards adopted, for the redemption of the cards at one half their face value, in bills of exchange to be paid in coined money.

⁴ See preceding document.

⁵ As stated in the despatch below, of 28th May 1714, the King had adopted the alternative proposal of Bégon for the redemption of the greater part of the card money at one-half of its face value, payable in coined money. Thus, neither of the ordinances here referred to was to be put in execution.

again without any reduction, although he becomes liable for them the first year. You see that everything of which I inform you in this connection, should be extremely secret, and you should not give it publicity except in so far as you think it absolutely necessary and expedient.

[Not signed]

PAYMENT OF THE CIVIL LIST

VERSAILLES, 17 May, 1714.

TO S^r DE LA MARTINIÈRE,¹

1ST COUNCILLOR

I have received the letter you wrote me on November 8 of last year. You have learned by the letter I wrote you last year that the King had accorded you a gratuity of 150 livres. I obtained for you one of equal amount this year. You will find attached, a copy of His Majesty's Order.

These favours ought to induce you more and more to discharge the duties of your office with uprightness and disinterestedness. That will be a sure means of obtaining new favours, which it will be a pleasure to me to procure for you whenever I find opportunity. I have been informed of what occurred at Quebec in regard to the bills of exchange which were drawn on the *fermier* of the Domain for the payment of the public charges.² That

¹ Claude de Bermen, Sieur de la Martinière was appointed to the Sovereign Council, 3rd June 1678. It appears that, under the permission of Governor De la Barre and with the concurrence at least of Intendant De Meulles, he had joined the French company trading to Hudson's Bay. On July 31st 1684, the King and minister had remonstrated sharply with all three over the head of this, on the ground that a councillor must not take part in trade. On the 10th March 1685, a decree of the Council of State ordered Martinière to resign his position as councillor within two months, if he remained connected with the Company. Apparently he gave up his connection with the Company, as we find that he remained in the Council, and, on the 5th May 1700, was appointed Keeper of the Seals therein. On the 17th March 1703, he was appointed to succeed, as Second Councillor, to Lotbinière, who was promoted to be First Councillor. On the 1st June of the same year, however, he was appointed Lieutenant General of the District Court of Quebec, and gave up his seat in the Council. He did not always get on very agreeably with either Vaudreuil or Raudot, but their differences did not seriously affect the affairs of the colony. On the death of Lotbinière he was again appointed to the Council, 5th May 1710, with the rank of First Councillor. For this he does not seem to have expressed any particular gratitude, which occasioned the minister to remark on his indifference to an appointment which so many others eagerly coveted. He enjoyed the favour of the celebrated Duc de St. Simon. He was described by the minister as both able and honest. As *prima facie* evidence of his honesty as an official of the government in Canada, may be mentioned the fact that, as stated in the document before us and in others, he is granted special gratuities which, as mentioned in connection with one of two hundred livres, in 1716, were stated to be granted on account of his poverty. He died 14th April, 1719.

² Since the *fermier* of the Domain of the West received his dues chiefly in card money, the best currency available in Canada, orders drawn on him were preferred to other forms of payment and were usually stipulated for by the various officers of the King's service for their salaries, etc. On the occasion referred to they appear to have been disappointed and a serious riot was threatened, which, as we learn from various references, evidently caused the government considerable anxiety. Subsequent refer-

will not occur again because of the precautions I have taken and the orders I have given to M. Bégon, to have half of what they are to receive delivered to the recipients in bills of exchange, the other half to be paid them in cards from the proceeds of the receipts of the *ferme* in Canada.

[Not signed]

REDUCTION OF THE FACE VALUE OF THE CARD MONEY BY ONE-HALF

VERSAILLES, 23 May, 1714.

TO MESSRS DE VAUDREUIL AND BÉGON

Since the letters I wrote you on the 19th and 22nd of the last March¹ on the subject of card money, I have given an account to the King of the proposal that M. Bégon made to have the 150,000 livres of bills of exchange drawn every year, by the agent of the Treasurer, payable in coined money, for which 100,000 écus in cards would be retired. His Majesty was at first reluctant to try this proposal on account of the sacrifice involved, although he is quite persuaded, as M. Bégon has pointed out, that it will not be a hardship to the bearers on account of the large profits they have made on the provisions and goods which procured them these cards. However, from the inability to find other means of retiring this money, the desire of re-establishing the trade of the colony and His Majesty's reflections that this expedient is much more favourable to the colony than a reduction in the rating of this money, he has approved the retiring, in five years, of all the cards which have been issued for the expenditure of the colony up to and including last year's outlay, by means of bills of exchange to be furnished for half the value of the cards that may be withdrawn.

I have agreed with M. Desmarests² that, beginning within the first three months of next year, a fund of coined money should be furnished, of 160,000 livres, and that it should be continued each year until the extinction of these cards.

ences to the matter are made on pages 273 (Série C¹¹ I, Vol. 34, p. 370, 11th Sept., 1714, second paragraph); 277 (Série C¹¹ I, Vol. 34, p. 323, 20 September, 1714, last paragraph of the third extract); and 281 (Série C¹¹ I, Vol. 34, p. 448, 8th November, 1714).

¹ See pp. 259, 261, 263.

² Nicolas Desmarets (b. 1648-d. 1721) was a nephew of Colbert and his chief clerk. He was for a time under a cloud through being interested in the great over-issue of the 4 sol pieces which so depreciated the currency. He was also for some time Minister of Requests or Petitions, and afterwards Intendant of Finance, 1683. After the separation of the offices of Controller of Finance and Minister of Marine, held jointly by the elder Pontchartrain up to 1699, the position of Director of Finance, as a sort of link with the Council of Trade, was created by the King in 1701 and to this Desmarets was appointed in 1702. In this capacity he served with Chamillart. A second office of this rank was created in 1703 and probably disposed of by purchase, as the device of creating offices for sale was introduced about that time. In 1708, when the clamour against Chamillart compelled him to resign as Controller General of Finance, he recommended Desmarets to the King as the most capable person to succeed him in that office. He was duly appointed and retained the position until the death of Louis XIV. Chamillart having pursued a hand-to-mouth policy, hoping against hope for peace, left an exhausted treasury, a mountain of unpaid debts, and the revenue of the future drawn upon in advance to the greatest possible extent. The troops were unpaid, the soldiers in rags, the peasantry starving, and business crippled, except for those holding army contracts. The paper notes which had been issued amounted to twenty-seven millions and the coinage itself had been depreciated. The task of Desmarets was therefore well nigh hopeless, with increasing demands for the support of the war. A stern, silent, resolute man, he set about his task courageously. Looking to the future and the creation of stable conditions,

You may, therefore, as soon as you have received this letter, take measures to get the holders of these cards to convert them and put this matter in operation. M. Bégon will take care to provide bills of exchange for 160,000 livres payable in the month of March next in ready money, on M. Gaudion, Treasurer General of Marine, to whom the funds will be remitted, and who will pay these bills regularly at their maturity. It will be necessary to continue to draw on him all the bills of this nature, although the funds concern other expenditures than his own. M. Bégon has only to take care to note what pertains to each appropriation—of which he shall send me a statement with the bills of exchange to the order of M. Gaudion on the treasurers in those appropriations in which the cards which were burned had been employed, in order that they may be able to make adjustments among themselves, and that by this means M. Gaudion may be debited with an extraordinary receipt to the benefit of the King, from the profit on the bills of exchange drawn in coined money, and that this business may be in correct form.

I am convinced that the 320,000 livres of cards, which the 160,000 livres of bills of exchange to be drawn this year will provide, will soon be supplied, and that all those who are holders of them will hasten to ask for the bills. M. Bégon must show no preference for anyone; on the contrary he must have the distribution made to all those who request them in proportion to the amount of cards each one has—to which point much attention must be given in order that no injustice be done. Should it happen, however, (a thing which I cannot believe) that the bearers of these cards should be unwilling to take the bills and furnish double their amount in this money, His Majesty's intention is that they shall not be constrained thereto; he wishes that they be allowed complete liberty in the matter, while at the same time it is brought to their attention that it is the best means they can take, that it will be the means of re-establishing trade and business on their old footing, and that if

he re-established the coinage under the decree of May, 1709, although again augmenting its rating. Incidentally he rehabilitated the notes somewhat, by offering to take in return for the new coinage five-sixths in the old coinage and one-sixth in notes. One of his most productive measures, repeated afterward during the war with Austria, 1741-48, was the imposition of the tax of one-tenth imposed on all without distinction; although the clergy managed to escape somewhat lightly by the voluntary contribution of a lump sum to the king. While this was a heavy drain on the nation at this time, yet the people sympathized with the minister in his courageous attempt to grapple with an almost hopeless problem. They had confidence in his integrity and the impartial levy of the tax was a novel feature in that age. Another measure by which he undertook to bring order out of chaos and which proved to be a great reform, was the consolidating of the debt of the kingdom, which had been hitherto split up into scores of different funds each with its independent appropriations, its own deficits and surpluses. This was a hitherto quite unknown achievement, and even in Britain was unattempted for years afterwards. He was gradually bringing order out of chaos when the death of the king led to his retirement. Meantime, as may be gathered from the documents here presented, supported by many others during the years 1714-15, the Minister of Marine was appealing for funds to support what were represented as unavoidable expenditures in Canada, and especially for the re-establishment of the French power on the Atlantic coast after the loss of Acadia. The remnant of the establishments in Acadia and Newfoundland were being transferred to Ile Royale, centering on the new fortress at Louisbourg and the administrative centre at Port Dauphin. Then there was the arrangement for the redemption of the card money at half of its face value, a plan approved by Desmarests but for which he found it practically impossible to procure the funds. With the usual haste to discard a government which had had to face the thankless task of carrying the nation through periods of military reverses and financial disaster, Desmarests, with most of the other ministers, was dismissed with scant courtesy on the death of Louis XIV. The office of Controller General of Finance was abolished and replaced by a Council of Finance, an organization which proved before very long to be too cumbersome for efficiency.

they do not voluntarily agree to this, His Majesty will be obliged to accept a proposition which has been made to him by private parties who offer to undertake to retire all this money in return for a certain sum, on conditions which would be more advantageous to His Majesty and less favourable to the colony—a proposition which His Majesty has, for that reason, refused to accept.

In regard to the cards you issue for the expenses of the administration for the present year, His Majesty does not expect that they will make part of those which are to be converted at a reduction of one half, because, since the general peace will lessen the expenditures he will be obliged to make, if it is possible, measures will be taken to provide a fund next year to redeem them entirely. Thus it will be necessary for you to put a special stamp on these cards which will distinguish them from the others.

You will judge by everything I am bringing to your attention that there is no further question at present of making the reductions in rating in the cards which were specified to you in the memoirs of the King, and His Majesty's purpose is that they no longer have force. You will be good enough to inform me of everything which occurs in relation to this matter.

[*Not signed*]

FORMALITIES TO BE OBSERVED IN REDUCING THE CARD MONEY ONE HALF

VERSAILLES, 23 May, 1714.

TO M. BÉGON

You will see by the letter¹ which I have written you and the Marquis of Vaudreuil in common, that the expedient which you proposed for retiring the card money has been agreed to by the King. I shall not repeat to you what that despatch contains but will content myself by saying to you that I regard this proposal as the salvation of the colony, and that having succeeded in obtaining this appropriation at a period in which I would not have dared to hope for it, it would be very annoying if those who are holders of the cards were not to take advantage of it. You are, therefore, to urge them thereto and to make them aware that it is the most favourable settlement they could hope for and the best move they could make. As it will be necessary to give due form to the extraordinary receipt this profit will produce, you will take care, as soon as you are provided with the 160,000 livres of cards which will be returned, to burn them according to order and to draw up an official minute of it, in which you will make mention of the fact that they proceed from the sum of 160,000 livres which were drawn upon M. Gaudion and which form a profit to the benefit of the King of an equal amount. You are next to draw up your ordinance debiting M. Gaudion with them as an extraordinary receipt, and I will have an Ordinance of the King drawn up here at the same time authorizing this receipt, and the same in regard to other formalities should they be deemed necessary.

You must also sign all these bills of exchange and send me an exact statement of them each year upon which I can order payment—which will be done regularly during the whole month of March next.

[*Not signed*]

¹ See *supra*.

PRACTICAL RESULTS OF REDUCING THE CARD MONEY

MY LORD:

.....

M. Bégon no doubt informs you, My Lord, in his private letter, as we do in our mutual letter, as to the measures he has taken to have the salt furnished to the *habitants* at twelve livres, money of France, per *minot*. It does not appear to me that it is an exorbitant price, in view of what it cost in France, and on that point the *habitants* appear to me to be reasonable enough. It is not the same in the case of merchandise and wheat: the *habitants*, without giving heed to the reduction of one half in the cards, want to sell their wheat very dear and get goods very cheap. I have trouble to make them understand that goods at 200 per 100 in cards is as if they were buying at 50 per 100, because they sell their wheat and all their provisions on the same basis, and that the day labourer, even, who formerly earned only 20 sols, now earns three livres. They have difficulty in grasping the idea. It is indeed true that the number of ships which have arrived this year is causing a kind of famine amidst plenty. But provided the new crop is not drawn on we shall have nothing to fear. It is that which I am always urging the Intendant to regulate: for if these ships carry away only our old flour, that is an advantage to us, being disposed of at a price much higher than we have ever had reason to hope for, but, on the other hand, if they carry off our new flour, as we cannot rely upon other resources than what we can procure ourselves, we run the certain risk of a very great scarcity. The Intendant, who knows the situation as well as I do, since I have very often pointed it out to him, is taking all the measures necessary for the prevention of such a calamity, and it does not appear to me, owing to the precautions he is taking, that we have anything to fear, the harvest being very abundant and the latest news from France, these days, assuring us that grain there is quite abundant. This very much diminishes the eagerness that several here had to buy it to ship to the Islands.

I do not see, My Lord, in the reduction of one half in the cards, that the colony as a whole loses much thereby, the official alone and those who do not engage in trade, have grounds of complaint. The *habitant*, the merchant, the day labourer, have all adjusted themselves to it now. There are only the officials and the employes in His Majesty's service, who do not engage in trade, to whom a crown is not worth more than twenty sols, and even less, on account of the dearth of everything they are forced to buy, such as food and clothing. That is, moreover what I gave the *Curés* and Captains of Militia to understand who came to speak to me—after a little commotion which we have the honour to report to you in our joint letter. Nothing came of it although it made sufficiently clear the need for having troops in this country, both for keeping the *habitants* respectful and also the Indians, who know enough to declare that our militia are nothing but children or old men. But if these evidences, My Lord, were not strong enough by themselves to induce His Majesty to undertake this expenditure, the single consideration of bringing

about an increase of the colony by providing for the *habitants* the means for making extensive seedings and good crops, ought to bring His Majesty to this, so that he might through the results, induce the people themselves to provide a portion of the necessary expenditures.

[Signed] VAUDREUIL

Quebec 16 September 1714.

WITHDRAWAL OF CARD MONEY

MY LORD

In accordance with your latest orders, we have informed the merchants of this town and other holders of cards, who require bills of exchange, that His Majesty has ordered a fund to be provided of 160,000 livres a year, for five years, to retire all the card money issued during the last war, on condition that there should be furnished to the agent of M. Gaudion, who is to draw these bills of exchange on him, double the sum stated in the bills, in order that the said cards may be afterwards burned, and the Treasurer debited, to the profit of the King, with the entire receipt of the said sum of 160,000 livres, which will be clear gain. The unavoidable necessity which the merchants and other inhabitants of the country are under of making remittances to France, will cause them to take these bills of exchange, of which the whole colony will feel the effects, since these merchants will sell their goods at prices proportioned to the loss which they sustain in accepting these letters [p. 312]

They have issued new cards to retire the older ones, with the exception of those of one hundred and of fifty livres, which were issued both on the departure of M. Raudot in 1711 and since M. Bégon has been here. On account of the official minutes of these cards having been made in correct form, it is known precisely that there is of them only the sum of 948,750 livres, money of France. [p. 322]

Before the receipt of your letter of the 3rd May last,¹ they had withdrawn through the Treasurers, old cards for the sum of 774,405 livres, money of the country, which have been burned in the ordinary way, Messrs de Vaudreuil and Bégon having summoned the two agents of the Treasurers, S^r Demonseignat and S^r Daigremont. Had they been informed at the time that it was the desire of His Majesty that one of the Councillors of the Superior Council and the Attorney General should be present, they would have conformed to the direction; but they have the honour to represent to you, My Lord, that this work having been begun, it would no longer be proper to summon them, it being necessary that the reports of the cards burned should be uniform. S^r Bégon will summon M. de Ramezay during the absence of the Marquis de Vaudreuil. It has not been possible up to the present to retire all these cards; S^r Bégon hopes they will all be retired before the departure of the last vessels, and will have the honour to send you a statement thereof. As the Treasurers may not give new cards, except in exchange for

¹See *Série B*: Vol. 36-6, p. 134.

old, Messrs de Vaudreuil and Bégon have not paid, nor will they pay any attention to those who claim to have lost some, either by fire or by the upsetting of canoes. They will send you next year a memorandum of the claims of all those who allege that they have lost some, in order that His Majesty may give them the attention he judges proper.

The Treasurer will debit himself, according to your orders, with the extraordinary receipt, to the profit of the King, of the bonus arising from the bills of exchange, which will be drawn this year on S^r Gaudion, but instead of burning new cards for double the amount of the bills of exchange, which will be furnished, they will be reserved to the amount necessary for meeting the remainder of the expenditures for this year, and those of next, in order to avoid making new ones with a special stamp, which would occasion ambiguity and cause embarrassment to business. If His Majesty provides the funds required for next year, as you lead one to hope, My Lord, all the cards will be burned, which may have been or will then be withdrawn for bills of exchange.

Messrs de Vaudreuil and Bégon have, on this occasion, the honour to represent to you that the officers and other employees on the King's establishment are suffering extremely from the loss which has taken place on these bills, since the merchandise and products of the country are enhanced in proportion to this loss. It is impossible for them to subsist, unless you have the kindness to have them given bills of exchange without any loss, for at least half of their emoluments, and the other half in card money. [p. 323]

.....
 S^r Bégon has the honour to transmit to you, My Lord, a petition from one John La Haye, an Irishman, settled in the *côte de Lachine* at Montreal for 22 years, who has been arrested, with one John Joublin, an Englishman, for having counterfeited card money in pieces of 8 livres, 4 livres and 2 livres, up to the amount of 20 livres, money of the country, and for having presented these counterfeit cards for payment. The latter is a prisoner of war in this country, and does not know the French language, and he may be ignorant of the prohibitions against counterfeit card money. These cards, which are in the clerk's office in Montreal, and which have been submitted to Messrs de Vaudreuil and Bégon, are so badly counterfeited that they have come to the conclusion, as also all those who have seen them, that no person in the country could be deceived by them, having indeed been recognized as counterfeit as soon as they appeared. Nevertheless, S^r Bégon gave orders to the Judge at Montréal to prepare the case against them, but, on the representation of M. de Vaudreuil, M. de Belmont and several others, that the said La Haye has rendered to the King and to the colony very great services, which are set forth in his petition, S^r Bégon has directed that the preparation of their case be suspended until further orders, as much on account of the services of the said La Haye, as for the consideration which Messrs de Vaudreuil and Bégon believed they should show on this occasion to the envoys of the Queen of Great Britain, who have claimed these two prisoners as being of that nation; Messrs de Vaudreuil and Bégon having promised these envoys that they would request His Majesty that these two Englishmen should be set free without their having been prosecuted. The long imprisonment they have already suffered and which they will suffer before M. Bégon shall have received the orders of the King respecting them, is a severe punishment.

it being certain that these cards have been simply tendered and have never been received in business. [p. 329]

.....

[Signed] VAUDREUIL BÉGON.

OFFICIAL MINUTE OF THE DESTRUCTION OF CARDS

1 November, 1714.

Statement of cards returned to M. Bégon, Intendant, by Petit, agent in New France for Messrs de Fontanieu and Vanolles, former Treasurers General of the Marine, on the score of an Official Minute of the 27 October, 1710, of 68,130 livres 10 sols three deniers, money of France, which were remitted to him by M. Raudot, Intendant, during the years 1708 and 1709, viz:—

Cards of thirty-two livres

Year 1702.....	116	3712 ^{ll}	}	26144 ^{ll}
1705.....	179	5728 ^{ll}		
1706.....	116	3712 ^{ll}		
1709.....	70	2240 ^{ll}		
1710.....	336	10752 ^{ll}		

Cards of sixteen livres

Year 1702.....	99	1584 ^{ll}	}	9488 ^{ll}
1705.....	172	2752 ^{ll}		
1709.....	81	1296 ^{ll}		
1710.....	241	3856 ^{ll}		

Cards of eight livres

Year 1709.....	46	368 ^{ll}	}	1448 ^{ll}
1710.....	135	1080 ^{ll}		

Cards of four livres

Year 1702.....	224	896 ^{ll}	}	3228 ^{ll}
1705.....	182	728 ^{ll}		
1709.....	71	284 ^{ll}		
1710.....	330	1320 ^{ll}		

Cards of two livres

Year 1705.....	67	134 ^{ll}	}	700 ^{ll}
1709.....	123	246 ^{ll}		
1710.....	160	320 ^{ll}		

Recapitulation

835.....of.....	32	26144 ^{ll}	} 41,008 ^{ll}
593.....of.....	16	9488 ^{ll}	
181.....of.....	8	1448 ^{ll}	
807.....of.....	4	3228 ^{ll}	
350.....of.....	2	700 ^{ll}	

Total amount of present statement:—41008 livres, money of the country.

In the year 1714, on the first of November, in presence of Monsieur de Ramezay, Commandant General in this country, Monsieur Bégon, Councillor of the King in his Councils, Intendant of Justice, Police and Finances in New France, of Monsieur Daigremont and of M. de Monseignat, Controller, there was returned by M. Petit, treasurer of the Marine in the said country, the sum of forty one thousand and eight livres, money of the country, in cards as mentioned in the above statement, and which amount, on the other hand, in money of France, to the sum of thirty thousand seven hundred and fifty six livres, on the score of the Official Minute of sixty eight thousand one hundred and thirty livres, ten sols, three deniers, money of France, dated 20 September one thousand seven hundred and ten, which cards were counted and examined and immediately burned in discharge of the said Official Minute. Made in quintuplicate at Quebec, the said day and year.

Signed DE RAMEZAY, BEGON, DEMONSEIGNAT, DAIGREMONT and PETIT

EFFECTS OF REDUCTION IN VALUE OF THE CARDS

QUEBEC, 8 November, 1714.

MY LORD

The two letters that Your Highness did me the honour of writing me, the 4 July 1713¹ and 24 May last,² have been handed to me by M. Bégon. I have, My Lord, followed the orders which you prescribed for me, in regard to the distribution of the bills of exchange for unavoidable expenses. The *fermiers* of the Western Domain write me in accordance with this, and as your purpose is that I use cards, the proceeds of my receiving bureau, they instruct me, as does Your Highness, that for the amount I am lacking I shall draw bills at 18 months sight, payable to the original holders and not to others, for the half of the amounts for which they are used in the public service, if the returns be not too great, and that I may do it without reserving any cards.

Two reasons have prevented me from giving them the half. The first that there have arrived here a great number of vessels, which have increased the customs duties more than a third over last year, and in the second place Monsieur de Vaudreuil, going to France, did not wish to take the cards of this country. He judged it convenient to have himself paid there in full, not only his salary, which is three thousand livres, but also for his escort, which amounts to four thousand two hundred and fifty livres: moreover Monsieur de Ramezay has received from the *fermiers*, in advance, four thousand three

¹See *Série B*: Vol. 35-4, p. 361.

²See *Série B*: Vol. 36-6, p. 205.

hundred livres, for his salary as well as for his escort; and M. Riverin is customarily paid from the same source seven hundred livres for his allowance. These three cases amount to 12,250 livres, which has permitted me to give to the holders only within a trifle of the third, thus taking from the bills on the *fermiers* only about twenty one thousand livres. The funds I have in hand are sufficient to pay the public obligations with the exception of 15000 livres appropriated for the restoration of the palace, for which I should have delivered other bills of exchange, as well as for last year's funds, if the Intendant had been able to supply me with discharges. He will doubtless inform you, My Lord, of the reasons which have prevented him and of the information I gave him of the situation before distributing these bills. The creditors appear content enough, although they expect to have the half.

I made this distribution with all the justice and equity possible and if they do not wish to thwart me in the distribution, under pretext of higher authority, which has only a basis of self-interest, I am sure that no complaint will come to your Highness.

The merchants and *habitants* will profit considerably from the decrease of one half in the value of the cards, the former selling their goods much beyond twice the prices of last year and the latter their provisions in proportion: the artisans and workmen increase their wages on the same basis. Only the poor and those who are on salaries from the King suffer greatly and cannot provide themselves with a quarter of the necessaries of life.

.....

[Signed] DE MONSEIGNAT

Quebec, 8th November, 1714.

STATEMENT OF NEW CARD MONEY ISSUED

12 November, 1714.

MY LORD

.....

I have the honour to inform you, My Lord, in pursuance of your orders, in regard to the present condition of the commerce of this country. The merchants, finding themselves overstocked with card money, have, last year and this, made every effort to dispose of it by enterprises in the fisheries, in building vessels and houses, in the squaring and sawing of timber and in making masts. [p. 382]

.....

I have the honour to transmit to you, My Lord, the statement of the new card money which M. de Vaudreuil and myself have made, amounting to the sum of 970,312 livres 10 sols, money of France, to retire all the old card money which is in the country, excepting that of 100 livres and of 50 livres, because, the official reports of these cards having been made in due form, it is

known exactly that there remain 984,600 livres, as appears in the statement herewith.

I hope, My Lord, that in the course of next year all the old cards will be withdrawn, and I shall have the honour to transmit to you an exact statement of them. [p. 399]

.....

[Signed] BÉGON

Quebec, 12th November, 1714.

DISPOSAL OF THE CARDS

MEMORANDUM OF SEVERAL THINGS TO WHICH IT IS NECESSARY TO DEVOTE ATTENTION THIS YEAR FOR THE WELL BEING OF CANADA [1715]

.....

It was but just to suspend the requisition it was proposed to make from the inhabitants of Canada of a levy for furnishing a portion of the funds necessary for the support of the (an omission—From what follows it is to be presumed that a sheet is missing¹) they would lose 75% by it. Moreover that is not the way to retire these cards, which at the end of the five years would all still be found in the country (which is suffering much from their little worth) and would render futile the efforts to retire them, which His Majesty would be very anxious to make.

It is therefore of extreme importance to order the Intendant to burn in future, not only all the cards which are returned to him for the bills of exchange which he will draw during the succeeding years, but also the 640,000 livres that he has received for those he has already drawn. By selling for cards, the goods that His Majesty has sent out this year to Canada, the Intendant will find himself almost replenished with the funds necessary for the expenditures of this year. This he may repeat in succeeding years, the Court appropriating every year the ordinary funds for Canada.

[Not signed]

MEMORANDA RE CARD MONEY

Memoranda for M. Desmarests re the Canadian cards; the first impressing the advantages of retiring the cards, the second praying M. Desmarests to have a fund of 160,000 livres appropriated.

The third for imposing a tax of 3 per cent on lotteries, in order to send out settlers to the new colony.

The fourth for a fund for Ile Royale. And the fifth to remind M. Desmarests of the fund for the cards.

[Without signature]

¹ The missing page is summarized in *Série C¹¹ I*, Vol. 34, folio 380: M. Bégon having retired by bills of exchange 636,000 livres of cards at a discount of one half, is censured for retaining these to give in payment for the expenses of 1715 and 1716.

THE ANNUAL APPROPRIATIONS TO BE PROVIDED IN COIN

1713¹ Canadian Cards

It was resolved last year to retire all the cards in Canada by paying the half of their value in bills of exchange on M. Gaudion. The matter is being carried out as it was planned.

But to derive the benefit from it which was proposed and prevent the inconveniences in trade which the quantity of these cards has caused, measures must be taken to see that no new ones are made in future. That object can be attained only by providing in coin each year the funds, which amount to 300,000¹, to wit:—one third during the first three months of the year to serve for the purchase of the goods and commodities necessary for the colony, and the other two thirds in the month of March of the year following, for the payment of the bills of exchange which are drawn by the agent of the Treasurer.

Without that it will be necessary to issue new cards each year—which must be regarded as a condition involving a loss of one half, which will derange trade, will cause additional expense to the King, and put it out of the power of officials and soldiers to live.

The Count de Pontchartrain prays M. Desmaretz to be good enough to give attention to this.

PROGRESS OF WITHDRAWING THE CARD MONEY

VERSAILLES 9 January, 1715.

To M. DE NOINTEL²

I told you, Sir, that in accordance with what I had arranged last year with M. Desmaretz, for retiring the card money of Canada, there were drawn on M. Gaudion, Treasurer General of the Marine, bills for 160,000 livres payable in cash in the month of March next. I have since received a letter from M. Bégon, intendant of that country, in which he notifies me that, having found a ready disposition on the part of the holders of this money to turn it in for bills of exchange, to diminish quickly the number of these cards he has also had bills for 158,055¹ 1^s drawn on M. Gaudion, payable in cash on the 1st March, 1716. By this means he has retired 636,110² 2^s card money, without disturbing in any way the order planned. The excess of 158,055¹ 1^s is on account of the 160,000 livres that he would have had drawn at the end of this year, payable in the month of March of next year, 1716. Of these 636,110 livres 2^s there are 318,055¹ 2^s gain for the King, for which M. Gaudion will be charged in extraordinary receipt to the profit of His Majesty. I am very pleased to make you acquainted with what M. Bégon has done so that you may be good enough to speak about it to M. Desmaretz in order that he may be willing to reserve the necessary moneys for the payment of these bills of exchange, because without that M. Gaudion cannot accept them. There have been several presented to him already whose acceptance he has postponed,

¹ Not the correct date; see p. 267.

² This and the following document are from the minister, Pontchartrain.

saying that he had not yet received the official statement, but as this evasion cannot last long, you will judge from that the necessity for putting him in a condition to meet these bills.

[*Not signed*]

REQUESTS FOR PAYMENT OF BILLS OF EXCHANGE DRAWN TO RETIRE CARD MONEY

I.

VERSAILLES 17 February 1715.

To M. DE NOINTEL

You told me, Sir, last year, that M. Desmaretz would appropriate a fund of 160,000^l per year for five years, commencing this year, and payable in the month of March of each year, for retiring the cards which serve as money in Canada. He did me also the honour at that time to inform me of it. In consequence there have been drawn in Canada on M. Gaudion bills of exchange for 160,000 livres, payable in the month of March next, for which sum M. Bégon has had 320,000 livres of cards retired—which makes a gain of 160,000 livres to the King's profit; and which private parties lose.

The bearers of these bills are at present soliciting their acceptance for payment at maturity. M. Raudot had the honour of speaking to you about it, and owing to your having said to him that since last year you had delivered to M. Le Rebours M. Desmaretz's order for appropriating this fund, he saw him at Paris, and as he said to him that it was necessary to speak about it again to M. Desmaretz, in order to get a new order, this business being your work, I pray you to be good enough to finish it up by speaking to M. Desmaretz and obtaining from him the appropriation of a fund of 160,000 livres next month for payment of these bills of exchange. I am convinced that it will appear just to you that the holders should be paid regularly, in view of the loss they suffer of half of their money, and the promise that was made them. I entreat you to be good enough to let me know what you do in this matter, and to be always persuaded that I am, Sir, most perfectly and most absolutely

Yours

[*Not signed*]

II.

Canadian Cards—1715

Monsieur Desmaretz wrote to the Count de Pontchartrain 16 May, 1714, that he was taking the necessary measures to have the needed funds supplied for retiring the Canadian cards within the time indicated by the letter of Monsieur de Pontchartrain, written to M. de Nointel 12 May, and that he could act on that basis. In accordance with this, orders were given to M. Bégon who had bills drawn upon M. Gaudion for 160,000 livres payable in March, 1715, as the fifth part of the 800,000 livres which were to be drawn in five years for retiring 1,600,000 livres of cards.

The holders of these bills, who have paid twice the amount in cards, request their acceptance for payment at maturity; but M. Gaudion, having neither money nor instructions, has not been able to accept them up to the present.

The Count de Pontchartrain prays M. Desmarest to be good enough to appropriate a fund of 160,000 livres, payable in the month of March next, for the payment of these bills—which cannot be deferred, in view of the loss which the holders have already sustained on the cards they have turned in.

III.

VERSAILLES, 27 March, 1715.

TO M. DESMARETZ

SIR,—M. Bégon, Intendant of Canada, at the end of the year 1713, proposed to retire all the card money which was issued to maintain the service during the period when it was not possible to send the funds appropriated for the expenditures of the country, by having bills of exchange supplied, payable in cash each year, and having the holders of these cards give double the amount of the bills with which they were supplied, by means of which one half would revert to the profit of the King. I had the honour to communicate this proposition to you and ask your opinion and what you could do for its execution. M. de Nointel tells me, on your behalf, that you approved the expedient proposed by M. Bégon, and that you would appropriate a fund of 800,000 livres of cash in five years, at the rate of 160,000 livres each year. Thus, the holders, in drawing their money at those terms, would be in a position to make shipments to Canada by the vessels which ordinarily leave in the months of April and May. This would determine them more willingly to return their cards at the loss of one half. You did me the honour of writing me, the 16th of the same month of May, that you were taking the necessary measures to have the funds appropriated within the time indicated in my letter, and that I could act on that basis and give the necessary orders.

I wrote accordingly to M. Bégon, and as a result he had 160,000 livres of bills drawn, payable in the present month, for which amount there was delivered up by those to whom these bills were given, 320,000 livres of card money, of which 160,000 were carried in extraordinary receipt to the King's profit. The ready disposition he found among the holders of the card money determined him, in order to reduce at one stroke the number of cards, to have bills drawn for 158,055 livres 1s, payable in cash in the month of March 1716, for which sum the double in cards was also furnished—that is to say, 316,110 livres 2 sols, of which half turned to His Majesty's profit. I wrote all this,¹ the 9th of January last, to M. de Nointel, in order that he might inform you and that you might have the goodness to put M. Gaudion, upon whom these letters are drawn, in condition to be able to accept them. You noted on the margin of my letter that the 158,055 livres of bills payable in March 1716 could be accepted and that money would be appropriated for them. But with regard to the 160,000 livres which matured this month, you indicated nothing, and M. Nointel said to me that you would put M. Gaudion in condition to pay them at maturity. The holders of these bills count on receiving payment for them on the 10th of April next, which is the day settled on for their maturity, and I hope that you will be pleased to reserve a fund for M. Gaudion so that he may give satisfaction on this point. I am convinced that this will

¹ See p. 287.
26541—193

appear to you of all the more consequence from the fact that, besides the justice of paying people who in good faith have made up their minds to lose half of their property, in the hope and on the promise that has been given them of being paid the other half, it is certain that Canada would suffer severely if this payment were delayed, because no return in goods could be made to those to whom these bills belonged. This would also cause the greatest injury to the merchants of France who, counting on the prompt payment of these bills, have given notes payable at the same periods. The representations I make you, Sir, are made to me every day by new petitions. I pray you to be good enough to see to the matter and to be ever persuaded that I am

Very truly etc.

[Not signed]

CONSEQUENCES OF THE NON-PAYMENT OF BILLS OF EXCHANGE DRAWN FOR THE CARD MONEY

Versailles, 31 March, 1715.

To M. DE NOINTEL¹

You know, Sir, that in accordance with what was determined in the month of May last year regarding the card money of Canada, M. Bégon, Intendant in the country, had 160,000 livres of bills of exchange drawn on M. Gaudion, payable in cash in this present month, and 158,055 livres 1 sol payable in like manner in the month of March next year, for which he has retired 636,110 livres 2s. of card money, of which 318,055 livres 1s. are turned to the King's profit. On the letter which I wrote you on this matter, 9th January last, M. Desmaretz made a note to the effect that M. Gaudion could accept the 158,055 livres 1s. of bills payable, but with regard to the 160,000 livres I have heard nothing said, although I have written him about it and have also several times requested you to be good enough to take the trouble to speak to him about it. These bills have meanwhile matured and ought to be paid the tenth of April as arranged. The bearers who counted on receiving payment that day are very much alarmed as M. Gaudion can tell them nothing definite on the matter. I am quite sure that M. Desmaretz will have the goodness to put him in a position to satisfy them at the maturity settled upon, I do not doubt but that the proposal appears to you as to me very just. These bearers made up their minds to lose the half of their property on the promise given them that the bills of exchange, which they took for the other half, would be regularly paid at their maturity. The greater part of them are held by the Canadian merchants who have come to France on business, and the remainder by the merchants to whom they have been remitted by the merchants in Canada, and it is certain that, if this payment were postponed, no returns in goods could be sent to that colony, which would completely ruin it. It would also cause great injury to the merchants of France who, counting on the prompt payment of these bills, have entered into engagements for the same periods, which they could not keep, if that should fail them. As you have entered into the business connected with this card money, I pray you to be good enough

¹ This despatch is from the minister Pontchartrain, to M. Nointel, see note 2, p. 191. The next five despatches are also from the minister.

to take the trouble to represent all this to M. Desmaretz and to get him to put M. Gaudion in a position to pay these 160,000 livres on the 10 April.

When I proposed to M. Desmaretz the extinction of the card money in Canada, I had hoped that he would put me in a position to remit in the future the necessary funds for the unavoidable expenditures that His Majesty makes there annually, and that by that means they would no longer be under the necessity of making new card money for carrying on the public service. I foresee with much concern that they will not be able to do that, if M. Desmaretz has not the goodness to furnish in money the funds for that country, which amount to about 300,000 livres each year. Of these, half should be ready in the month of April for payment for goods and supplies which would have to be sent out, and which take the place of money in that country, and the other half payable, likewise, at the end of each year, to meet the bills of exchange which the agent of the Treasurer would draw to mature them. If this arrangement is not adopted, they will inevitably fall into the same trouble as they have already been in, which will totally ruin the trade and inhabitants of that country. You recognize that, Sir, and one cannot doubt the confusion which will be caused in Canada by the issue of new cards, which could not be dispensed with in maintaining the public service, at a time when the loss of half on the former ones is enforced. I pray you to be good enough to represent that to M. Desmaretz and to get him to give 100,000 livres in cash solely for the shipments to be made this year, and the remaining 200,000 livres in the months of December or January next, and, for the following years, to be good enough to appropriate this fund in the way I propose. I shall be much obliged to you for it. By means of these funds, the card money will be finally suppressed in Canada: meanwhile, I am persuaded you will think as I do that it will be very necessary to provide a special currency for all the colonies. It seems to me that it would be possible to find in it an advantage for the King, from the increase above its intrinsic value, which it appears to me ought to be given to this money; and that would afford the means for remitting to the colonies the necessary funds for several years.

.....
[Not signed]

BILLS OF EXCHANGE FOR THE PAY OF THE CREW OF H.M.S.
"LE HEROS"

MARLY, 19 June, 1715.

To M. DE BEAUHARNOIS¹

I send on to you the bills of exchange which had been addressed to you by M. Bégon, Intendant of New France, for the payment in full of the

¹ François de Beauharnois had succeeded Bégon as Intendant of the Marine at Rochefort, 24th March, 1710. For his family connection and earlier career, including his term as Intendant of Canada, see note 1, p. 117. As successor to Bégon he had very extensive and responsible duties to perform, having charge of the colonial shipping and its equipment, the provision of all supplies in both goods and men. He had even to furnish men and equipment for the mining of coal at Ile Royale, and its transfer to France. His functions continued practically uninterfered with by the change of government on the death of Louis XIV. He shared with the Minister of Marine many of the worries incident to lack of funds between 1710 and 1717, as indicated in the documents which follow this. In 1712 the minister writes to say that he cannot furnish him with the funds to procure supplies for Canada,

officers and crew of His Majesty's Ship *Le Heros*, fitted out in 1712 by Madame de la Magniere.¹ M. Gaudion has accepted those which were payable in the month of March last, amounting to 4928^{li} 10s., to be paid, half on the 20th of this month, as appointed, the other half on the 20th of next month, also as appointed. He has informed me that he will have them paid at Rochefort as you have requested, but as it may happen that he may not make delivery of the money precisely on their maturity, he will make it a few days afterwards, and you can count on the sure payment of these bills, hence it will be needless to have them protested. With regard to those which are payable in the month of March 1716, amounting to the same sum of 4928^{li} 10^s M. Gaudion, not having as yet any funds for their payment, has not been able to accept them, but they will be paid in due time and you have only to keep them.

I am, Sir, Entirely yours.

[Not signed]

URGENT NEED FOR PAYMENT OF THE BILLS OF EXCHANGE

MARLY, 2 July, 1715.

TO M. DESMARETZ

I have the honour to send you, Sir, a memorial which has been addressed to me by the Canadians who are in France and the merchants of the Kingdom who do business in Canada, on the subject of the bills of exchange which have been given them for the half of the sums which they have returned in card money, and which M. Gaudion, who had accepted them as payable, part the 20th of June as appointed, and part the 20th of this month, has allowed to be protested for lack of funds. I do not know how to express to you adequately the disorders which the default in payment of

and that he must therefore himself find the money in some way. The minister, Pontchartrain, in his *Memoire Justificatif*, in which he gives details of the difficulties he had to meet during his administration of the Marine from 1700 to 1715 states that in the latter part of his ministry the department was virtually abandoned by the Department of Finance and had to shift for itself. It was therefore forced to raise money and procure supplies by such assurances of future payment or other methods as it could devise. Many of these difficulties and the devices by which they were met are revealed in the voluminous correspondence between the Minister of Marine and the Intendant at Rochefort. Thus on the 30th April, 1715, the minister informs Beauharnois that he hopes to send funds to meet the purchases for Ile Royale, but is afraid that he cannot do the same for Canada. Later it is apparent that he cannot procure funds for even Ile Royale. By July 10th things were well nigh desperate. In vain did he implore the Minister of Finance for even a portion of the funds appropriated. Then Pontchartrain instructs Beauharnois to endeavour to get the purveyors to send the most essential supplies to Canada and Ile Royale by assuring them that they will most certainly be paid in a short time by the Controller General of Finance. Some time after the change of government conditions were easier, especially during the period when Law's Bank was flourishing. Following the readjustment of the sharp crisis resulting from the collapse of Law's System, Beauharnois, as Intendant of Rochefort, had a peaceful and comparatively uneventful term of office for the remainder of the long period during which he held the position. He again returned to the position of Intendant of Naval Arms in 1739, and died on the 8th of October, 1746, at the age of eighty-one.

¹One of the many instances in which private individuals manifested exceptional patriotic spirit in coming to the rescue of the government when its resources were practically exhausted. A similar spirit was again manifested by many in the dark days from 1760 to 1763.

these bills will cause. You know the consequences of this as well as I do and the necessity for having them paid before the departure of the last vessel which is to go to that colony and which will leave immediately. I implore you to give favourable attention to this and to be good enough to apply to it a prompt remedy.

I am always, etc.

[*Not signed*]

URGENT NEED FOR FUNDS FOR CANADA AND ILE ROYALE

10 July, 1715.

To M. DESMARETZ

I am persecuted, Sir, by the holders of the 160,000 livres of bills of exchange drawn from Canada, which have been due since the month of March and which are not yet paid. From the justice of their demand and the injury this delay may cause, I cannot resist imploring you yet once again to be good enough to give it favourable attention.

I expected from day to day that you would have the goodness to appropriate the necessary funds for Ile Royale. I observe with grief that the season is advancing without my being able to take any measure or make any arrangement to assist that colony. If, while waiting until you can appropriate the funds which I have requested from you for that expenditure, you would be pleased to have a sum of 100,000 livres in coin remitted to M. de Selle,¹ I should be in a position to have a vessel despatched, with some provisions and supplies, to prevent the officers and men dying of hunger, and to keep them from having ground for thinking that they have been totally abandoned. I pray you to do all in your power towards an end as just as it is urgent, and to be good enough to give me an answer so that I may give orders accordingly.

I have the honour to be, most completely &c.

[*Not signed*]

INSTRUCTIONS TO BEGON IN REGARD TO REDEMPTION OF THE OLD AND TEMPORARY ISSUE OF NEW CARD MONEY

MARLY, 10 July, 1715.

To M. BÉGON

.....
The reasons you had for having M. Gaudion drawn upon, not only for the fund of 160,000 livres appointed this year for the redemption of cards, but also that of an equal sum which has to be provided next year; would have

¹ Florent Marielin de Selle was one of the Treasurers General of the Marine. He was in office at intervals from 1712 to 1747 at least. He seems to have handled most of the supplies for Ile Royale, especially in the earlier period, but later for Canada as well.

been good if that Treasurer had been able to accept them. But, as the funds will be placed at his disposal only a few days before maturity, he could not assume any obligations before that time, and that may cause anxiety to those who have accepted these bills and lead to their discredit, although as to the fund it is assured that they will be paid, if not at their exact maturity, at least some time after. There has been delay in the payment of those of this year, which was caused by the scarcity of coin, due in part to the disturbance in trade which has existed for several months, and to the considerable number of failures which have occurred in the Kingdom, but they will be paid without delay and more definite measures will be taken for those which will mature in the month of March next. You can reassure the merchants and *habitants* of Canada against the fear the delay in the payment of this year's bills and the acceptance of the others might cause them.

If they ask you for bills this year to the amount of the 160,000 livres which should be paid in the month of March 1717, you may have them provided for them, payable in that period, being careful to have 320,000 livres of cards retired for this sum.

You will see by the memoir of the King,¹ that His Majesty did not approve of your making use of those which were retired last year, for the ordinary expenditures of the country, instead of burning them and making new ones with a different stamp for these expenditures, in conformity with the orders I had given you and which you would have followed if you had taken the pains to reflect on the injurious consequences which might result from acting otherwise. As it is necessary that there should always be a certain quantity of cards in the country, as you will admit yourself, the new ones might have been allowed to circulate while the old ones were all burned. That is indeed required even for the contents of the official minutes which are to be made of it, and which ought to state the extraordinary receipt from the profit on the bills of exchange. Otherwise it would appear very odd that money which the Treasurer's agent receives at the half of its original value—this same agent should issue at the same time on the basis of its original value, for the expenditures which His Majesty makes. I may add to all this that, by the manner in which you have acted on this occasion, you derange entirely the plan for retiring all the old card money. I confess I was very much surprised that you had not thought of all these features and that you did not scrupulously carry out the orders you had on this subject. It is the unconditional will of His Majesty that those [cards] which remain in the possession of the agent of the Treasurer, consisting of those which were withdrawn last year, shall be burned after the manner prescribed to you, and that you do the same with those which will be withdrawn this year and the following years. If possible you must indeed replace by new ones those which you may have distributed, in order to repair the harm you have done in not following the orders given you.

With regard to the proposal you have made to lessen each year the loss on the cards by having 527,500 livres of bills of exchange drawn on the ordinary funds of the colony, in addition to the fund of 800,000 livres appointed for retiring the cards, the expedient you propose would be good if one were assured of being able to pay regularly those drawn on the ordinary fund. We cannot be sure of that for the present, but as they are striving

¹ See *Série F³*, Vol. 9-2, p. 451. also p. 285 above.

to introduce some order into the finances, there is room for hoping that in the future, they will be in a position to remit regularly the funds which may be appropriated. I will ascertain next year the attitude that can be taken towards your proposal and I will inform you of it. Meanwhile, you must confine yourself to the execution of the orders you will receive as to the card money.

.....

[Not signed]

JUDGMENTS FOR DEBT AGAINST M. GAUDION

Marly 17 July, 1717. [1715]¹

TO M. DESMARETS

Since the last letter which I had the honour of writing you, Sir, on the subject of the fund required for paying the bills of exchange drawn from Canada, which were payable last March, and for which you know that those to whom they were delivered provided double the amounts in card money, I have learned that there have been issued several judgments for debt in the Commercial Judges' Courts, against M. Gaudion, who had accepted them, payable, half on the 10th June and half on the 10th July, according to your order and the promise that you were good enough to give him that you would have the funds remitted to him to pay them at maturity. But the Treasurer, having received nothing, has not been able to make payment, with the result that he dare no longer show himself. You know, Sir, that I undertook to have the card money in Canada withdrawn only in concert with you, and on the verbal and written promise you were good enough to give me, that you would provide the necessary funds for paying these bills of exchange. Here we have, however, protests which destroy the faith and confidence people had in these bills, which ruin Canada by the default of payment, and besides that a Treasurer of the Marine has been arrested—which is causing a frightful scandal. I could not refrain from speaking to the King, who appeared to me grieved over it. His Majesty ordered me to write to you about it and to tell you, on his behalf, to speak to him about it and receive his orders on it.

I have the honour to be, etc.

POSTPONEMENT OF PAYMENT OF BILLS OF EXCHANGE

MARLY, 31 July, 1715.

TO M. MOUCHARD²

DEPUTY ON THE COUNCIL OF COMMERCE

I have received the letter you wrote me, the 21st of this month, in regard to the postponement of payment of the bills of exchange drawn from Canada

¹ Desmarests was dismissed in 1715. 1717 is therefore an error.

² François Mouchard was a deputy to the Council of Commerce from La-Rochelle, being elected by his fellow merchants to represent the commercial interests of that important centre. When the Council of Commerce, first established by Colbert but lapsing after his death, was re-established by the decree of 29th June, 1700, it was composed of two Councillors of State, the Controller General of Finance, the Minister of Marine, two Masters of Petitions, and twelve representatives from the chief commercial towns of the kingdom. The Council, like other creations of Louis

on M. Gaudion. I am aware of all the injury which that may cause in the trade of the country and to the business men of La Rochelle; but as M. Desmarets must provide the funds for it you ought to address yourself to him. I have written him about it several times and that is all that I can do.¹

[Not signed]

SUSPENSION OF LEGAL ACTION FOR NON-PAYMENT OF BILLS OF EXCHANGE

September 1715.

The merchants of La Rochelle who engage in trade with Canada:—

7 Sept.

They represent that M. Gaudion, Treasurer General of the Marine, refuses to pay the bills of exchange drawn upon him from Canada which he accepted. There has been 50 per cent loss on these bills, and, as they were counting on their being paid, they sent goods to their correspondents in that country and gave these bills of exchange in payment according as they became due. Those who are holders of them have obtained convictions for debt against them, which obliges them to keep to the house, and they will be forced to become bankrupt if orders are not given at once to M. Gaudion to pay these bills.

This misfortune will complete the ruin of Canada.

Decision of the Council of Regency:²

Accorded six months' delay to the merchants of La Rochelle for paying the bills of exchange drawn on them, in view of the fact that M. Gaudion, Treasurer General of Marine, has not yet received the money to pay those that have been drawn on him. His Royal Highness will provide for this payment as soon as possible.

Copy given to M. Raudot to despatch.

XIV, vanished with him. A new one, however, was immediately created, composed, not of those filling certain offices, but of eleven persons specifically named. The heads of the Councils of Marine and Finance were however included, and the representatives from the chief commercial towns were also continued. It was a purely advisory body. In 1722 it was again reconstructed and the name changed to the "Bureau of Commerce." Its functions however, were not materially altered.

¹ There are many other despatches relating to the unsuccessful efforts made by the Minister of Marine and Colonies, during the closing years of the reign of Louis XIV, to secure payment of the bills of exchange drawn for the redemption of the Canadian card money at half its face value. It was almost equally difficult to obtain advances on the appropriations for carrying on the governments of Canada and Ile Royale, which, after the recalling of the paper money, had been promised in cash. Some of the additional documents on this subject will be found in *Série B*, Vol. 37, under the following dates in 1715:—February 10th, March 31st, April 23rd and 30th, May 13th and 26th, June 11th, 17th, 19th, 26th, July 10th and 31st.

² With the general desire to escape the odium attaching to the government of France during the closing years of the reign of Louis XIV, as radical changes as

Done and decreed at the Council of Marine¹ held at the Louvre 29 September, 1715.

BASIS OF PRESENT ARRANGEMENTS WITH REGARD TO CARD MONEY

*Without place or date.*²

The funds ordered for the Marine not having been remitted in entirety for several years but chiefly since the year 1708, the customary remittances to the colonies could not be made. To make up the the deficiency, the Governor and Intendant of Canada believed they could not do better than introduce card money of different values for the convenience of trade. It would serve the same purpose being redeemed at the end of the year. The scarcity of money and the smallness of the fund appropriated to the Marine during these last few budgets prevented the money from being redeemed, with the consequence that having issued new [cards] each succeeding year, it has multiplied to the amount of 1,600,000¹¹. The inhabitants of this colony, which is one of the largest, perceiving that they had no outlet for this currency which had no intrinsic value, protested to M. de Vaudreuil, governor, at present in Paris,³ and to

possible were made with the opening of the new reign under the regency of the Duke of Orleans, in the personnel and the outward form, at least, of the government. Thus the ministries were abolished and the ministers dismissed. In place of these were established six councils with a president and several members for each. These councils were under the designations of war, marine, finance, commerce, foreign affairs, and domestic affairs. The personnel of each was composed of a president, several councillors, and a secretary. The recommendations of the several councils were reported to the central supreme body, the Council of Regency, which alone made decisions on all important matters. The ministers of Louis XIV had been drawn, for the most part, from the grade of successful commoners, though several of these or their families were afterwards ennobled. The chiefs of the councils under the regency, however, were almost all drawn from the families of the ancient nobility of France, while the majority of the councillors were lawyers. Thus the Comte de Toulouse was president of the Council of Marine, and de Villeray and Noailles of the Council of Finance. These conditions did not endure long, however, for in a few years the parliament which had been revived was abolished and the authority of the Councils was usurped by their chiefs, while the former despotic system of Louis XIV was re-established with representatives of the ruling families of that period once more in power. By 1718 the Ministry of Marine had passed into the hands of Maurepas, a representative of the family of Phelypeaux, while the Department of Finance was under the control of the famous commoner John Law. On the declaration of the majority of Louis XV in 1723, the councils were formally abolished.

¹ As indicated in the previous note, the Council of Marine was one of the six councils established by the Regent in place of the previous ministries of state under individual ministers or secretaries of state. It continued to discharge the usual functions of the Ministry of Marine, including the jurisdiction over the colonies in all matters excepting the *fermes*, which appertained to the Council of Finance. At first the correspondence with the Governor and Intendant was carried on in the name of the Council, but later in the name of the President of the Council, as, in the gradual return of the Court to the absolutism of the previous reign, the President of the Council was gradually absorbing the functions of the Council as a whole. In 1723, on the attainment of the majority of Louis XV, the councils were abolished. The functions of the Council of Marine in its advisory capacity were virtually transferred to the new Bureau of Commerce, which had succeeded the Council of Commerce. (See note 2, p. 303.) Of this bureau the Minister of Marine was also a member.

² Internal evidence renders it fairly certain that this memoir was prepared by M. Gaudion, Treasurer General of Marine, in the year 1715.

³ Governor Vaudreuil was at this time on special leave of absence in France. (See note 1, p. 127.)

M. Bégon, the new intendant, that their trade was being totally ruined, and that in default of payment they could no longer import from France the goods of which they had need. M. Bégon who saw the importance of the request of the inhabitants sought the most suitable means to help them as promptly as possible. Foreseeing at the same time the impossibility of having them repaid so large an amount in a short time, he sounded their views, promised them to write about it to the Court and urged them to make proposals to him for facilitating the carrying out of their requests under the circumstance of the scarcity of coined money in France. Afterwards he proposed to them to be content with the payment of half their cards, which amounted to 1,600,000 livres. The inhabitants of the colony were very loath to decide on this. They consented, however, provided they were regularly paid the other half in coin. This was proposed to the Court in 1713. It had difficulty at first in accepting the proposal, as much on account of the loss the inhabitants would incur of the half of what was due them, as on account of the difficulty of paying them the other half in cash. At last the reiterated entreaties of M. Bégon decided M. de Pontchartrain, who had spoken of it several times to M. Desmaretz, to speak of it to the King. It was decreed that the proposal of M. Bégon and the inhabitants should be received and that five years should be taken for discharging the 800,000 livres which were to be paid for half the value of these cards, and that there should be drawn, during each of the said five years commencing from the present, 1715, 160,000 livres of bills for coin, on M. Gaudion Treasurer General of the Marine, to whom the funds would be supplied in the month of March of each of the said years. In consequence of this decision, M. de Pontchartrain wrote to M. Gaudion, 23 May 1714, and gave him orders to write to his agent in Canada to draw on him for 160,000 livres of bills, payable last March, for the value of 320,000^l in card money which he was to retire and to make receipt of an equal sum of 160,000^l to the King's profit, for the half that the inhabitants had agreed to cancel.

All these orders were carried out in Canada and M. Bégon, Intendant, had 160,000^l of bills, payable in March of the present year, drawn for, and 158,055^l payable in March of next year 1716, according to the statements which were sent to the Court in the month of January of the present year, certified to by M. Bégon, Intendant of Canada.

All these bills arrived in the month of January of the present year and were presented to M. Gaudion. He notified the Court of them and neglected nothing in entreating that the funds promised for paying these bills be sent to him in time. They were continually promised, but, their maturity having arrived and having redoubled his entreaties, M. Demaretz wrote to him, 8 April of the present year, to urge him to advance this fund and that he would provide for the re-imbusement in seven or eight months. If during the course of this year M. Gaudion had received the reimbursement of the immense advances he had made for the service of the Marine in the year 1713, he might have found means of making this advance, but not having been able to pay the debts which he was obliged to contract for the Service in the said year 1713, owing to the default in payment of the bills he has in hand, together with the scarcity of money that commenced with the month of March last, he can not find the assistance necessary to make this advance. However,

being continually importuned by the bearers of these bills, he proposed that funds of some kind be sent to him, in default of money, from which he might possibly find means of assistance. He was promised notes of Sr. Legendre payable in the month of May, and to appease the holders of the said bills he accepted them payable half in the month of June and half in July.

In place of the notes of Sr. Legendre payable in the month of May, which had been promised him, he was given some payable from October next to April 1716 in equal amounts: he could make no use whatever of these notes on which there was a loss of more than 60%. He again appealed to M. Pontchartrain and M. Demaretz: M. Demaretz gave an order to return to Sr. Legendre the notes he had received from him, in place of which he was to receive an order for an equal amount on the Treasury, which was to be paid by the King's secretaries. He received this order in the beginning of the month of August last and having presented it he could not get it cashed because there were no funds. He again saw M. Demaretz who on the 9th August gave him an order to be honoured after M. De la Jonchere, Treasurer General of the extraordinaries of war, had been paid what he had to draw on the said fund of the King's secretaries. But up to this day he has been able to pay only 33,000^l of those bills, having received only this sum.

The holders of the 127,000^l which remain to be paid pursue him continually with judgments which they obtain from the Commercial Judges owing to his acceptance of the bills, which he cannot pay without having received the funds.

He takes the liberty most humbly to entreat that funds to the amount of these bills be remitted to him, or an order which will give him security against the judgments obtained against him, until he is able to obtain the means to pay them. He has in his possession the letters of M. de Pontchartrain and M. Demaretz, and particularly an answer of date the 18th of this month, which established the facts which he takes the liberty of setting forth in the present memorial.

[Not signed]

(Memorial on the card money of Canada.)

PETITION *RE* PAYMENT OF BILLS OF EXCHANGE

S^r CLAUDE LE ROY
Draper: St. Denis St.,
Paris

PETITION

There were drawn last year from Quebec 60,000^l of bills of exchange, for which there were transferred to the agent of M. Gaudion in Canada 320,000^l in card money, in accordance with the orders which the King had given regarding it. M. Desmaretz, not having provided the funds at maturity they were in part protested. After-

Represents that he has been sent bills of exchange drawn from Canada on M. Gaudion, for 8600^l, which he counted on cashing at maturity, M. Gaudion having promised him this in accepting them, but which he has not carried out, so that he has determined to have this Treasurer summoned, against whom he has obtained a judg-

¹ 160,000 livres.

wards M. Desmarests induced M. Gaudion to accept them, payable half in June and half in July; the funds still being lacking they could not be paid. The merchants of La Rochelle have made their complaints about it—concerning which the Council has granted them a suspension for the endorsements they may have put on these bills.

He is to be given a copy of the Order after its despatch.

ment, but the Commercial Judges said they have orders not to execute it. He requests that he be made to pay.

.....
 Done and ordered by the Council of Marine held at the Louvre 27 October 1715.

EVIL EFFECTS OF NON PAYMENT OF THE BILLS

M. de Ramezay: 28 October, 1715.

MY LORD:

.....
 My Lord, I cannot avoid making you acquainted with the bad effect the default in payment of the bills of exchange drawn for the card money has produced both among the merchants and among the *habitants*, the grumblings of one and the other are beyond all expression. The former are selling their goods at an excessive price and the latter their provisions in proportion, the counter effect of which reacts on the staff officers of the country and those of the troops, and the widows of officers, who cannot live at the present time but can merely languish. If the bills are paid, as I am convinced following what you explain in the King's letter, it were to be wished that it should be known here early next spring in order to quiet apprehensions and to persuade the merchants and *habitants* to sell their goods and their provisions more cheaply.

[Signed] DE RAMEZAY.

Quebek, 8th October 1715.

GRANT OF DELAY IN PAYMENT OF BILLS

Registration of Letters Written to La Rochelle and Rochefort since the Establishment of the Council of Marine

PARIS, 6 November, 1715.

TO M. DE BEAUHARNOIS

The merchants of La Rochelle, Sir, who endorsed the bills of exchange drawn last year from Quebec on M. Gaudion, for the value of the card money, having represented to the Council of Marine that they were being prosecuted on account of their endorsements owing to the default in payment of the said bills, the matter was reported to the Council of Regency, which granted them a suspension of three months in consideration of the said endorsements, and in

the meantime the payment of these bills could be provided for. The order has been despatched. The Council wishes that you make it known to the merchants so that they may have it withdrawn from under Seal.

CONSIDERATIONS AS TO PAYMENT OF BILLS OF EXCHANGE

Messrs de Ramezay and Bégon

MY LORD

.....
 M. Bégon had the honour to inform you,¹ My Lord, by the letter of 12 November last, of which he is sending you the duplicate, that he took advantage of the need that everyone had for bills of exchange to draw on M. Gaudion, not merely for 160,000^l payable last March but also for an equal sum payable next March. He consented to this only after having been strongly pressed and after having made it plain to those who requested it that it was only for the benefit of their trade that he took upon himself, without orders, this course, in the impossibility he experienced in satisfying every one; but he would not be responsible to them for their payment and still less for their acceptance—which they would have to make known to their correspondents—and that the only promise he could give as to the bills payable next March was that he would not draw others this year of the same maturity; and that in taking them they would be in the same position as those to whom he would have given them this year had he not given them in advance. He promised them also that, in case any of these bills returned this year, M. Bégon would have them taken back and would have the bearer re-imbursed for their value—to which they all consented. Thus it is not the default in the acceptance of the bills that can have caused their discredit, because they all expected it. The default in payment at maturity of those payable last March is the sole cause of it, and has created a disturbance in the business of the country which is beyond all expression, whether as to the grumbling and general complaints of people of every class, or as to the merchants' refusal of the cards; saying they have been advised by their correspondents in France that they will not be paid and that the cards will become a total loss to all those who have them: they forbid them to sell for card money any goods that they send them. These advices which have been given to different people have caused the goods and provisions of this country to rise to excessive prices, payable in card money.

M. Bégon communicated to the Council and the chief merchants what you did him the honour of writing to him on this subject, and we have neglected nothing that depends on us to reassure public sentiment, but although they have been accepted, we shall be in continual perplexity here until we have been advised that they have been paid: on which point we take the liberty of representing to you, My Lord, that not only is it of the utmost importance that these bills be paid, as we do not doubt that they have been, but that those payable next March be met at their maturity: the least delay in payment will

¹See *Série C*¹¹, Vol. 34, p. 381, Bégon to the Minister.

cause the same disturbance in the trade of this country as was caused this year, because the merchants in this country write to their correspondents via Ile Royale in March; and there are restless spirits here who seek to make the conditions of this country even worse than they are, apparently occupied only in giving evil interpretations to everything that is done. Hence the necessity that the merchants of France and those of this country should be informed in good time that they will be paid at their maturity. We judge, My Lord, that it would be well for M. Gaudion to accept all those that are presented to him to be paid at maturity, because one is able to get information here by way of England, whence letters from France arrive from the month of February, brought to Montreal by the Indians from Orange.

S^r Bégon has made public the order that you gave him¹ to have bills drawn payable in March 1717, and will have the honour to give you an account of what is done in this matter: the reasons which prevented his burning the cards that were received for the bills of exchange drawn last year are explained in his letter of 12 November last.²

[Signed] DE RAMEZAY
BÉGON

Quebec, 7 November, 1715

DISCUSSION OF THE DIFFICULTIES RESULTING FROM THE
NON-PAYMENT OF THE BILLS OF EXCHANGE GIVEN
FOR THE CARD MONEY

M. Bégon: 7 November 1715

MY LORD:—

I have the honour of explaining to you, My Lord, by the joint letter,¹ that I held out no hope last year to the merchants of the country that the bills which I had drawn in excess of the fund of 160,000^{li} would be accepted by M. Gaudion, let alone paid, and that I had said to them that I was having them drawn without orders, with the sole view of facilitating their trade, having only promised them that if they were not paid I would have the agent of M. Gaudion in this country give back to them in card money, which they had paid over to him, twice the amount of these bills. It is owing solely to the default in payment of these bills at maturity that they have fallen into discredit. That has made a great disturbance in trade here and caused such discontent as I cannot adequately express to you. It has been very difficult for me to calm their minds on this subject, some saying that they were ruined by the default in payment of the bills on account of the heavy demurrage which they pay their correspondents in France; and those who are straitened in their business here, whose number is greater than that of the rich, also attributed to this the derangement in their business, although the majority of those who complain the most loudly had taken very few of them.

¹ See p. 299.

² See *Série C*¹¹, Vol. 34, p. 381.

³ See p. 315.

The only reason that has prevented the request for 160,000^l is the uncertainty they are in here, notwithstanding everything I have been able to say, as to whether they will be paid; but I am convinced that if those which were drawn last year are paid promptly, it will be found necessary to draw for at least 200,000^l for 1717 and 1718.

I am quite clear, My Lord, as to the order you gave me to have the card money burned which arises from the bonus of a half on the total of these bills, and I am convinced that you will bear witness that I have not departed from your intentions.

I have the honour to send you the official minute of the cards burned, to the amount of 320,000^l for the bonus for twice the amount of the bills of exchange drawn on M. Gaudion last year, and after the departure of the vessels there will be made an official minute of other cards burned for twice the amount of those which were drawn this year. This could not be done at present because M. Petit will be furnishing bills of exchange up to the moment the ships leave.

I have been careful, according to your orders, to burn for the bonus of 320,000^l only the old card money:—which will be correspondingly observed in regard to those which will be burned after the departure of the ships, for the bonus on the bills payable in 1717. I will do the same next year for the old cards that remain to be withdrawn.

It would not have been possible for me last year to have issued card money with a special stamp, on account of the departure of the Marquis of Vaudreuil who has to sign it and put his stamp on it as he has always done. These cards of different values would have caused embarrassment and difficulties in trade, because many of those who cannot read would be deceived, and the cards with a new stamp would have caused the others to fall into such discredit that no one would have accepted them. Moreover, it would not be the stamp which would give them credit but the promptitude shown in paying the bills of exchange.

I have also the honour of observing to you, My Lord, that you give me to understand that the only reason which hinders you from accepting the expedient that I have proposed to you of diminishing every year, by a certain amount, the loss on the bills of exchange by charging, according to this plan, 527,500^l on the ordinary fund of the Colony, is that you are not sure of being able to have paid regularly those which may be drawn on the ordinary funds. It appeared to me that this same reason ought to have prevented cards of a new stamp from being put in circulation, because those who held them would not fail the same year to demand bills of exchange for their equivalent. If you refused to give them for these cards they would complain that you had deceived them, and if you gave them and they were not paid, they would fall into the same discredit as the others.

I may add, moreover, that issuing cards with a special stamp is to declare that the others are worth only a half and to provide an avenue to an infinite number of fraudulent bankruptcies. A merchant would be able to say that he had 50,000^l of assets on which he had 25,000^l of debts, but that, the King having caused him to lose half on his cards, there remains to him not a sol to pay his 25,000^l of debts.

It might be much better if, by an Order from the King, the value of card money were reduced by one half, but there would follow the same disadvantage from it; in place of being free to take or not to take bills of

exchange, they can not at least refuse to give card money in payment of their debts, and people always flatter themselves that it will be worth more in the future.

I shall await your orders on this subject, especially since I cannot issue new cards until the Marquis of Vaudreuil's return.

There still remains some old card money in the hands of the *habitants* which will be all withdrawn within the next six months, and then I will make an exact statement of all the card money which is in the country, and will make known by the same statement those who hold it.

.....

[Signed] BEGON.

Quebec, 7th November 1715.

EXPLANATION OF THE PRESENT POSITION OF THE CARD MONEY

CANADA

M. BEGON 25th Sept. 1715.¹

The Council has ruled that the advice of M. de Vaudreuil on these cards should be obtained and that all the orders which have been given should be explained in detail, so that the Council, being fully informed, may give orders with knowledge of the conditions.

Sends the official minute of 320,000 livres of card money, which he has had burned, being the bonus for double the sum of the bills of exchange drawn on M. Gaudion in 1714, payable in the month of March 1715 and 1716.

Observation.

During the time when beaver was in demand there was money in Canada and people used to send it there from France to buy the beaver, but, in proportion as it decreased in price, the money in Canada has returned.

The King sent there regularly every year, in money and goods, the funds for the expenditures.

The war having occurred they did not wish to risk money in ships, and it was ordered that cards should be issued to the value of the funds: they used to redeem these cards, on the arrival of the ships, by bills of exchange on the Treasurers, which were regularly paid, so that the card money was withdrawn every year. But the bills of exchange not having been paid, there accumulated card money in Canada which could not be withdrawn.

During the first years, that did not cause any disturbance in the trade of Canada, but during the following years the quantity of this money was so considerable that it fell into great discredit, which caused goods and provisions to increase to more than three times the ordinary prices they

¹ This date (25th September, 1715) should be 7th November, 1715. See M. Bégon's letter of this latter date, given immediately above. See also *Série B*², Vol. 18-2, p. 391.

brought in the country. This occasioned a derangement which has fallen upon the officials and other people not in trade who have only the card money to meet their needs. The merchants and farmers suffered little, in a sense, because, through the increase in value which the cards gave to their goods and provisions, they indemnified themselves for the loss which they might incur on them. Meanwhile, however, they really suffer, because they do not know what to do with these cards.

To dispose of this money and to re-establish trade in its original condition, M. Bégon wrote, in 1713, and proposed the provision each year of a fund of 150,000 livres, by means of which he would retire 300,000 livres of cards, causing a loss of one half on those which were converted into bills of exchange.

This proposal was communicated to M. Desmaretz and in due course reported to the late King, who ordered, verbally, that there should be provided in five years a fund of 800,000 livres in ready money, at the rate of 160,000 livres per year, payable in the month of March each year.

Messrs de Vaudreuil and Bégon were accordingly written to in 1714.¹ They were notified to provide that year bills of exchange on M. Gaudion for 160,000 livres payable, in the month of March 1715, in coined money, to retire 320,000 livres of card money on the basis of the loss of a half on that money, to have the said cards burned and to debit the treasurer with an extraordinary receipt of a bonus of 160,000 livres; and to do the same for the following years.

M. Bégon having found the merchants disposed to take these bills of exchange and to return double the amount in cards, had provided them in 1714, not only for the 160,000 livres for 1715, but also for the 160,000 livres which were to be withdrawn in 1715 for 1716, and retired for these two sums 640,000 livres of cards, of which he burned only half, which was just the bonus, and kept the other half for the expenditures of the country.

Meanwhile he had been instructed to burn them all, and, for current expenditures, to make new ones with a different stamp, to serve until the customary funds could be remitted—which it was hoped to do regularly for the future.

M. Bégon observes that last year it would not have been possible for him to provide card money with a special stamp, because of the absence of M. de Vaudreuil who has to sign it and put his stamp on it as he has always done.

He represents, moreover, that these new cards would have caused embarrassment and difficulty in trade, because those who do not know how to read would be deceived, and because these cards with a new stamp would have made the others fall into such discredit that no one would have accepted them at any price.

To be able to ascertain exactly the full amount of the old cards of Canada, and because there were many of them so used up that one would have trouble in recognizing them, M. de Vaudreuil and M. Bégon judged it fitting to withdraw them all and to replace them with new ones. That is well advanced and M. Bégon observes that he will send a statement of it this year.

With regard to the bills of exchange drawn payable in March 1715 and 1716, amounting to 320,000 livres, M. Desmaretz, not having been able to provide the funds, for payment, in March 1715, of the 160,000 livres relating to this year, got M. Gaudion to accept them, payable, half in the month

¹ See p. 267.

of June and half in the month of July 1715, on the promise he made to put him in condition to pay them, but which he has not fulfilled, with the consequence that not one of these bills or of those payable in March 1716 has been paid. These bills are causing a great disturbance in Canada and will cause more still this year if they find out that nothing has been paid;—which will appear so much the more vexatious since the people to whom these bills have been given have lost the half on the cards that they gave to obtain them.

On that account, the merchants will find themselves unable to send anything.

M. Bégon states that he has had 61,000 livres of them drawn this year, payable in 1717, and that the merchants did not wish to take any more, from fear that they would not be paid.

The advice of M. de Vaudreuil is to replace all the old cards, issued before the arrival of M. Bégon, by new ones, and to make exact statements of them as well as of the funds from which they should be paid.

That the King should benefit by the bonus of the cards which will not be returned is but fair, the King having paid the cost of providing them.

To redeem all the cards issued for the expenditures of Canada, up to the first of January 1716, in bills of exchange with the loss of a half.

To issue new cards with a special stamp for the expenditure of this and the following years, for which shall be drawn bills of exchange, payable in the month of March of the following year, and which shall be regularly discharged.

He says that when he is on the spot, if he finds any disadvantage in that plan he will remove it conjointly with the Intendant, and will report on it.

As in the future we are to pay in ready money or in goods, new card money must not be issued under any pretext.

Deliberated by the Council of Marine held at the Louvre, the 27th April 1716.

GENERAL ACCOUNT OF THE CARD MONEY AND ITS CONSEQUENCES¹

TO HIS ROYAL HIGHNESS THE DUKE OF ORLEANS, REGENT OF FRANCE;
IN THE COUNCIL OF MARINE.

MEMOIR

ON THE PRESENT STATE OF CANADA²

.....
The second cause of the ruin of trade in Canada comes from the worthlessness of the card money which the Governors and Intendants have put

¹ Another (unsigned) copy of this memorandum is found in *Serie C¹¹I*, Vol. 40, p. 175, in which the date is given as 12th December.

² In the opinion of Mr. Marmette (see note 1, p. 223), this memoir is from a different hand from that of 1712 (see p. 223), which was attributed by Margry to D'Auteuil,

into circulation on their private authority and by their personal ordinances, which have never been confirmed by any Edict or Declaration of the King. What gave occasion to this kind of money was the failure of the King to appropriate funds for the payment of the troops that His Majesty had stationed in Canada and for war expenses and other unforeseen expenditures, until after the beginning of each year; which funds could be transported there only by the King's ships or others which went there and did not arrive at Quebec until the August or September following. It was, consequently, to relieve this shortage of cash, from the first of January to the first of October, that they put into circulation this kind of money; which is a kind of notes on pieces of playing cards, on which is stamped a *fleur de lis* surmounted by a crown, with the arms or *paraphs* of the Governors and Intendants and the signature of the agent of the Treasurer of the Marine at Quebec, under the inscription "one livre," "two livres," "four livres," "sixteen livres," or "thirty two livres." Since, in the beginning, few cards were issued, and as those who took them to the agent of the Treasurer at Quebec, before the departure of the last vessels from Canada for France, obtained bills of exchange on the Treasurers-General of the Marine in France, which were duly paid, one could not fully realize the injuries which might follow in consequence. It is also true that if they had been confined within the limits of moderation the evil would not have reached the extent it has.

What we can be sure of is that, at the time of the departure of M. de Champigny from the Intendancy of the country which was in 1702, there remained at the most only 120,000 livres of this card money, which was held either by the Company of the Colony or by other solvent persons, who were to return it to his successor, to redeem it and to burn it. It is not to be doubted that it was redeemed, but it is not certain that it was burned, for we are aware that there is still some in circulation in trade.

Since the departure of the said M. de Champigny, this facility in issuing money led Messrs de Vaudreuil, Governor, Beauharnois and the Raudots, father and son, Intendants, to issue it in succession for very large amounts, to which they always gave circulation on their private authority, by their ordinances, although already the injury which might result from it was recognized. Although there were in 1712 more than 1,300,000¹¹ of these cards, Messrs de Vaudreuil and Bégon issued in that year, 1712, and in 1713 more than 500,000 livres of new ones, of denominations of fifty and one hundred livres, at a time when they were absolutely in disrepute and when the truce or peace being concluded ought to have put an end to all pretexts for their issue, it was reported that they were having ordinances published that they should be received in payment in all circumstances

the author of the present memoir. As may be observed from the sections dealing with currency and finance, here reproduced, and allowing for the political changes which took place between the two periods, the treatment of the subjects is very similar in each document, as are also the prejudices and accusations against the same authorities in each case. The tone of the latter document is naturally somewhat stronger and the accusations more unguarded, as both the minister in France and most of his relatives in office in Canada had passed out of power. In the document which follows, of the 20th January, 1716, it will be observed that D'Auteuil, writing to the Regent, says he has submitted two memoirs on the subject of Canada; by which he must mean two general memoirs, for he wrote many special memoranda. He also indicates that he could obtain, through his wife who is in Paris, considerable confidential information from that quarter relating to Canada.

under penalty of fine. Finally, we are further assured that, having continued this pernicious practice, notwithstanding public and private complaints and the terrible derangement which it introduced into all the affairs of Canada, they carried the thing to such a pitch that there were two millions of them or thereabouts in 1714.

Things were in this state when M. Bégon, Intendant, in the autumn of 1714, informed certain merchants of Quebec, on behalf of M. de Pontchartrain, that if they were willing to lose one half on the cards they had, the other half would be paid them in France, at the rate of 50,000 écus per year until the end; to which they submitted not being able to do better.

He had more than 600,000 livres retired at once, and had three hundred thousand livres of bills of exchange drawn on the Treasurers of the Marine at Paris, payable on the 20th April 1715 and the same month and day 1716. The pitiable hope of losing only the half of their property when they were contemplating a complete loss, did not fail to renew the courage of the merchants. They continued to act on this basis, flattering themselves with the fulfilment of the promise given on behalf of M. de Pontchartrain.

The sequel proved that they were grossly deceived, for the Treasurer was unwilling to accept those bills, and after having accepted the half of them he prolonged the term of payment until the month of July 1715, and did not pay at maturity those which he had accepted. The other half has remained without acceptance. This grievous news was brought to Canada by the last ship from France, in the month of July last. It is easy to judge that when they learned this misfortune the trade of Canada would collapse at once, so far as concerns the considerable portion which was carried on with this kind of money. For two millions in the trade of a small colony is a matter of very great importance. If a prompt and efficacious remedy is not soon devised, the *habitants* will in future raise no more grain or foodstuffs and will do no more work, except for their individual subsistence only. There will be no more fishing, no more ship-building, no more other manufacturing, and only the traders going from France may make barter of peltries with the Indians for their goods, because they would not be willing to sell to the merchants settled in Canada or to the *habitants*, from fear that after having received the [goods] they might wish to force them to take these various cards in payment. Thus the majority of the merchants settled in Canada will be obliged to abandon the country and to take up their residence elsewhere. Such is the true condition of this matter which is causing so great a disorder.

The institution of these cards proceeds solely from the authority of the Governors and Intendants of Canada. It has been remarked that it has not been authorized by any Edict or Declaration of the King. They have been sole and absolute masters of the issue and renewals of these cards: no one whomsoever in Canada knows the real use that has been made of them. Accounts of them are equally unknown to them. However, they propose to the merchants and *habitants* the loss of one half, and they are likely to lose the whole, (if the goodness of the King and the justice of His Lordship the Regent, does not guarantee them from this misfortune) whilst a considerable portion of this immense sum has perhaps been employed for the private uses of those who are masters of their issue.

It is certain that, if His Majesty sanctioned the estimates of expenditures of each year for Canada and if the funds were delivered to the Treasurers-

General, they have never paid them out. There would be no justice in making this colony lose a million in order that the Treasurers should profit by it. In the same way, if the funds were appropriated and if they were diverted (without the King's orders) to other uses, Canada ought not to suffer from this change of destination, and it will be incumbent upon M. de Ponchartrain to answer for it. Finally, if Messrs de Vaudreuil, Governor-General, Beauharnois, Raudots, father and son, and Bégon, Intendants, or their minions, have employed part of these cards for their private use and trade, that unjust employment ought not to result in loss to the inhabitants of this colony.

All these doubts call for a complete and exact examination of this business in all its aspects. But above all, Messrs de Vaudreuil, de Beauharnois, the Raudots, father and son, and Bégon, cannot escape from rendering account to the King and to the colony of Canada of that very large amount in cards which is found there, since they have been the issuers, have put them into circulation on their own private authority, and have made themselves masters of the renewals they have made, without ever in all that time having called any one whomsoever on behalf of the colony.

The examination of the Authorization of Estimates by the King, of the remittances made to the Treasurers of the funds on these estimates and of the diversions which might have been made of these funds to other uses, can be carried out only in France.

But, as to what pertains to the accounts to be rendered of the cards, it is evident that it can be done only in Canada, because it is necessary to know with certainty what there are of these cards in the country; on what occasions they have been issued, if at the time of the renewals the old ones were really burned, if the proceedings have been thorough and in proper form, if employées, contractors and purveyors have actually received the amounts in cards indicated by their receipts, if there has not been a greater quantity issued than authorized, in regard to the need set forth for each issue; and finally to whose profit this excess has been turned.

From the necessity for this accounting, it follows that those who are accountable ought not to have any standing or authority in Canada, whilst this examination is being proceeded with: otherwise this authority might render the investigation and labour useless.

None of those accountable can complain since M. de Pontchartrain's favour has unjustly maintained them in these offices, beyond the term appointed for Canada by the King, at the most humble entreaty of its deputies, by his ruling of 5 March 1648¹ which orders that the Governors-General of

¹ D'Auteuil, the Attorney General, had made a special study of the legal and constitutional development of the colony. The document here referred to, however, is only the last amendment to several decrees which preceded it, making all together the first specific basis for the constitutional government of the colony. The first document in the series consists of the articles of agreement, of the 4th or 14th of January, 1645, between the directors and associates of the Company of New France, better known as the Company of One Hundred Associates, and the deputies from the inhabitants of the colony. (*Série C¹¹¹*. Vol. 1, p. 407.) This was accepted and affirmed by the King on the 6th March, 1645 (*Série C¹¹¹*, Vol. 1, p. 423). These articles were concerned with the distribution of the powers, privileges, and responsibilities, specified in the original charter granted to the Company in May, 1627, between the existing members of the Company and the general body of the inhabitants of Canada, to whom were being transferred the commerce and fisheries and especially the fur trade of the colony, but not the seignorial rights and privileges of the Company. These latter reservations having led to considerable difficulties with the Canadians, the Court of France found it necessary to set up a form of local

that country shall be nominated every three years, without power to be renominated more than once; so that the longest Governor-Generalship is to be only six years—and it is more than twelve years that M. de Vaudreuil has occupied it; and M. Bégon more than four years the Intendency. In short, since Canada finds itself so specially interested in this business, there is room for hoping from the justice of His Royal Highness and of their Lordships of the Council of the Marine that someone from that country may be present at the investigation to guard the interests of the colony.

And that while waiting a final decision, he may have the goodness to provide for the payment of the hundred and fifty odd thousand livres of bills of exchange accepted and due from the month of July last; and for the acceptance of those payable on the 20 April 1716, drawn for the cards handed in to M. Bégon in 1714.

The third cause of disturbance in the trade of Canada is again a consequence of this card money. For, as its discredit was foreseen for two or three years, the merchants sold their goods, which were paid for in this money, in proportion to the loss which they foresaw they would have to suffer, the *habitants* from the country would not bring into the towns the wheat, grain, meat and other foodstuffs and articles of trade, and the artisans and day labourers raised their work and day labour in proportion, whilst military officers, officers of justice, the ecclesiastical and religious communities, gentlemen and those living on fixed incomes were and are obliged to receive in payment these varieties of cards for the various values written on them, although they are not worth the quarter to them. This renders them incapable of entering on any enterprises as this excessive reduction in value does not leave them anything to live on. The fourth cause of this disturbance proceeds from the fact that those persons specially invested with the King's authority have made use of this authority without any consideration, to get hold of the

government in the colony, anticipating to a considerable extent that of 1663. This was accomplished through the decree of 27th March, 1647 (*Série C^{II}*. Vol. 1, p. 438), providing a government for the inhabitants of the country of Canada. The first article provides that there shall be established in Canada a Council composed of the Governor and, until a bishop shall be appointed, the Superior of the Jesuits, and the Governor of Montreal. There is no provision limiting the term of office of the Governor General or either of the other two members of the Council. In the 7th article, however, it is provided that no officer of the colony should hold office for more than three years without being reappointed by Council and taking the oath before it. Article 14th specifies that the syndics of Quebec, Three Rivers, and Montreal, who should have free access to the Council to present their views but not to take part in the deliberations, were to be elected by ballot, but could not continue in office for more than three years in succession. The Canadians were still somewhat discontented with the form of government, but more particularly with the financial burdens of the colony, increased by the expenses of defending it from the incursions of the Iroquois. The constitution was therefore again amended, by the decree of 5th March, 1648, referred to above by D'Auteuil (*See Série C^{II}*. Vol. 1, p. 446). This provides that Canada should be under the supervision of a Governor and Lieutenant-General appointed for a period of three years only, but whose term of office might be renewed for another three years, and after that he would be eligible as a member of the Council. Thus, for the future, the Council of Quebec would be composed of the Governor of the country and, until a bishop is appointed, the Superior of the Jesuits, together with the former governor, and two inhabitants of the country to be chosen for a period of three years by the others composing the Council. In addition to the Governor, therefore, the Council would consist of five persons, three of whom were to constitute a quorum. Such is the form of government and its terms to which D'Auteuil appeals in this document. But, in view of the conditions and their context, and especially in view of the new and enlarged constitution of 1663, in which the limitations to which he refers are not included, the point which he attempts to make would hardly stand.

largest share of the trade that can be done in Canada, each after his own fashion,—in which they have respected neither equity nor equality.

Paris, 9th December, 1715: Ruette Dauteuil

LEGAL PROTECTION FOR M. GAUDION

The Council is of opinion that it is of very great importance to pay these 160,000^l, but provided we are not in a position to pay them we cannot avoid writing to the Commercial Judge the letter which he requests, both for his justification for not having issued a writ of attachment during the three months past and for specifying the period in the future during which he still must not issue it.

It will suffice if this letter be written by His Lordship the Count of Toulouse¹ on behalf of His Lordship the Duke of Orleans.²

Decision of the Council of Regency. A letter to be written from the Council of the Marine for the extension of the stay of execution by the Commercial Judges for three months.

Done and ordered by the Council of Marine held at the Louvre 22 December 1715.

CANADIAN BILLS

The order which had been given to the Commercial Judges to render no judgment against M. Gaudion Treasurer General of the Marine in regard to the 160,000^l of bills drawn from Canada for the value of the card money, has expired. As M. Gaudion has not yet received the necessary funds for the payment of the said bills, he is continually sued by the holders.

The Commercial Judge told him that it would be necessary that he should have a letter on the subject which would indicate to him the reasons for which he ought not to deliver judgment, that he might justify his conduct and transmit it to whomsoever might succeed him, and before there was another one in the month of January, because they are in effect for one year only.

¹ Louis Alexandre de Bourbon, Comte de Toulouse, Admiral of France, was the third son of Louis XIV and Madame Montespan. He was born 6th June, 1678, and was appointed an Admiral of France at the age of five. He was at the sieges of Mons and Namour in 1690, and displayed considerable courage. He served in the Spanish war in 1702 in command of a naval squadron, as also in several encounters with the English fleet, notably in a drawn battle with Admiral Rooke, and displayed very considerable skill as a naval commander. Later he fell into disfavour at the Court of Louis XIV and was compelled to retire from it. Under the Regency he returned to favour, and was appointed President of the Council of Marine, which replaced the Ministry of Marine in 1715. As President of the Council of Marine, including the Colonies, he was appealed to in 1716 to assist in re-establishing the finances of Canada, and took part in the deliberations which ultimately resulted in the abolition of the card money in 1717. He continued as Admiral of France until his retirement in 1733. He died 1st December, 1737.

² Philippe, Duke of Orleans, son of Philippe, Duke of Orleans, who was the younger brother of Louis XIV, was the well-known Regent of France during the minority of Louis XV, from 1715 to 1723. He was born August, 1674, and died December, 1723, after the proclamation of the majority of the King.

M. D'AUTEUIL'S OBJECTIONS TO M. RIVERIN'S PLAN FOR
THE REDEMPTION OF CARD MONEY

20 Jan. 1716, D'Auteuil.

MY LORD:

The illness which has confined me from the day that I had the honour to present to you my two memoirs on Canada,¹ tending to diminish and to allow me the liberty of writing, I profit by this to present my very humble respects to you in this the beginning of the new year and most humbly to beg of you, My Lord, to do me the favour of granting me the honour of your protection.

I learned the day before yesterday, through Madame D'Auteuil, my wife, who happened to be that morning at M. de La Chapelle's² place with M. Riverin, former Canadian agent in France, that he said to her that he had given a memorandum re making an agreement in regard to the Canadian beaver by which there would be one hundred per cent profit upon the price of the beaver, and that out of this profit one could redeem all the cards which are in Canada.³

I find myself constrained to represent to you, My Lord, that however favourable appears the condition of this agreement it would be in reality very ruinous for Canada in that it will continue the destruction of the beaver trade which has been up to the present one of the more important of that country; and that it will aggravate the critical condition of the French hat-trade.⁴ To be convinced of it one has only to reflect that those who trade for beaver among the Indians, not being able to hope for more than the very modest price which Messrs Neret and Gayot give for it at present owing to an agreement having its origin and continuance only through chicanery, will have to arrange their trade with the Indians on that footing and that thus the discontent of the Indians will continue and for that reason they will use every means to carry their beaver to the foreigners—which involves very serious consequences.

As to those who hold this beaver, whether Indians or others, when they see that it will return them scarcely anything, for what is to be given for the redemption of the cards is of no consideration to them, since it will be disbursed to others than themselves, they will not fail to use every means to have it carried to the English of New England who pay a remunerative price for it; or they will have it fraudulently shipped to Europe where they will sell it at a profitable rate, either in Holland or elsewhere; so that the French hat-trade will be deprived of this article, whilst the foreigners will have it in abundance. And as these new contractors would have less beaver they would sell it at a higher rate to the hatters and would force them to take the old stocks which are no longer of the good quality necessary for the production of a good article; for one must recognize that they (the traders) will bring to their warehouse only what they consider the foreigners will not care to buy.

Such, My Lord, are some considerations which appear to me very important for Canada if you wish to re-establish the trade of that colony. As for

¹ See p. 325 and *Série C*¹¹ I, Vol. 34, p. 199.

² La Chapelle was Secretary to the Council of Marine.

³ See *Série B*¹, Vol. 8-2, p. 563.

⁴ The Paris hatters were from the first very critical of the firm of Aubert, Néret & Gayot, and were thus anxious to obtain the control of the Canadian beaver trade. (See note 1, p. 193.)

the redemption of the cards, I believe it to be only a specious pretext to secure certain objects, for the length of time required for this redemption ought to make this clause appear as impossible. M. Riverin agreed with Madam D'Auteuil that there were in Canada more than two millions of cards and said that of these there could be paid sixty to eighty thousand livres per annum. It would require then more than twenty-five to thirty years to effect this redemption and who is there who can make an agreement for such a length of time.

Canada has consented to lose the half of the value of the cards, why then wish to recover it by the destruction of the beaver trade? It is to be presumed that when Messrs de Vaudreuil, Beauharnois, the Raudots, father and son, and Bégon who issued these cards and have disposed of them, are obliged to render account of them, by this accounting the quantity due by the King will be much diminished.

If you have taken the trouble, My Lord, to have read to you the two memoirs which I have had the honour to present to you, you will there have seen the subjects well discussed; if my illness had not prevented me, I should have had the honour of proposing remedies for the evils. If M. Riverin has any proposals, it were to be desired that they might be communicated to the people from Canada who are here, so that the disadvantages, if they find any, could be represented. After that if you would be good enough to hear them together, that would be the means of knowing the exact truth and of giving a decision safe and advantageous for Canada.

I have the honour to be with very profound respect, My Lord,
Your most humble, most obedient and most respectful servant

DAUTEUIL.

Paris 20th Jan. 1716.

I. A PLAN FOR THE REDEMPTION OF CARD MONEY
II. ADVISABILITY OF PURCHASING GOODS FOR CANADA IN
FRANCE¹

*Memoir of M. de Vaudreuil, Lieutenant-General of Canada, upon that colony:
February, 1716.*

TO HIS ROYAL HIGHNESS THE DUKE OF ORLEANS, REGENT.

My Lord:—

.....
It would sufficiently appear from that which has just been said that it is necessary to have people come to Canada; it is not less necessary promptly to remedy the injury that the card money is doing to this colony.

The measures taken in 1714 to suppress this money, by ordering its redemption in five years on the basis of the loss of a half and by appropriating for this purpose a fund in France of 160,000 livres per year, would have had the promised effect, if, as had been ordered, the 640,000 livres of cards which were retired in the said year had been burned on the spot and at the same time funds in coin for the expenditure of the year 1715 had been sent to Canada.

¹ Translation revised from New York Documents, Vol. IX, p. 869. This despatch is from the Governor, Vaudreuil.

But M. Bégon, Intendant, seeing that there were no funds for the expenditure of the year 1715, in place of making new cards (which would have been the same) kept those that were just withdrawn and put them back into circulation at the rate of their original value, in paying officers and soldiers and making use of them for other necessary expenditure.

This money which was already much decried has been brought to the point at which no one wishes to burden himself with it at all: the merchant and the *habitant* are unwilling to give their goods and their provisions for cards, or at least if they do so, they put an excessive price on them.

The officer who is paid with these cards can not live, not receiving his salary at the rate of a third of it.

It is easy to see the injury which that does to the trade of Canada, how much the colony must suffer from it and of what importance it is to remedy it promptly.

The Marquis of Vaudreuil believes that the most certain means and that which is most suitable to the present time is that Your Royal Highness may have the goodness to order:—

That the bills of exchange drawn for the 640,000 livres of cards mentioned above, payable from the funds as calculated for retiring the cards half in 1715 and half in 1716, be all [paid] during the present year 1716.

That there be issued a new card money stamped differently from that of today and which alone may have currency in trade.

That the old cards which lose one half and for the other half of which the Treasurer will give new ones, be all taken to be burned, in the presence of the Governor, the Intendant, the Treasurer and the Controller.

That they continue to retire, during three years, 160,000 livres per year of the new cards, in lieu of which the Treasurer shall furnish an equal amount of bills of exchange on the Treasurers of the Marine, payable in the month of March of the following year from the funds which have been appropriated for this purpose.

And that the bills of exchange which the Treasurer shall draw each year payable from the funds ordered for the annual expenditure of Canada, be regularly paid in March of each year, which is the time at which vessels are outfitted to go to that colony and consequently the time when the merchants who trade there have need of money.

If your Royal Highness has the goodness to give directions in conformity with what has just been said and if the funds are ready at the time indicated, the cards will be regarded as coined money, indeed they will be preferred to it on account of the facility there will be in making returns in bills of exchange without any risk.

The few cards which will remain in the colony at the end of three years, and which will amount to only about 400,000 livres, are necessary for circulation in trade until coinage is sent there. [p. 113]

.....

It is more advantageous to make the purchases in France than in Canada (where they would cost as much again), provided those authorized to make them do not act as in preceding years, when it was remarked that they charged the King more in France than the merchants of Canada sold them

for; and that what was purchased for three livres by Canadian importers of similar goods, cost the King nine.

[Not signed]

M. DE NERE'S PROPOSAL FOR A SPECIAL COINAGE FOR CANADA

No answer. The Council approves none of his proposals.

CANADA
S. le Vasseur de Néré¹ half-pay Captain and former Captain and Engineer in Canada.

Rochefort, 26 March, 1716.

He proposes several expedients to remedy the bad condition of affairs in Canada, viz:—

It does not appear to M. Vaudreuil that this proposal would be expedient.

He proposes to suppress the cards and to issue 500,000 livres in special coins for Canada, in which there would be one third silver and two thirds alloy.

¹ M. Le Vasseur de Néré, as stated here, had been a captain of engineers in Canada. He was sent out to prepare plans and apparently to superintend the work of strengthening the fortifications of Canada during the war of the Spanish Succession, 1702-1713. The minister, writing to him on the 20th June 1703, acknowledges the receipt of the plans and profiles connected with the fortifications of Quebec, but states that he is still awaiting the plans for Montreal, Three Rivers, Chambly, Laprairie, Sorel, and St. Francis; which indicates the extensive range of the work committed to him. His services appear to have been quite satisfactory, for, on the 14th June 1704, the minister announces to him that he has been created a Knight of the Order of St. Louis. It appears from this same despatch and from another of 9th June 1706, that he had submitted a proposition, which was quite approved of, to sell building sites adjoining the fortifications, and which were to be terraced with masonry at the expense of the inhabitants. The minister promises him another position when his services in Canada were completed. He was allowed to retire from the military service in June 1712. He appears to have returned to France and to have been on the retired list, settled at Rochefort, from whence he issues this proposal with reference to a special coinage. Another glimpse of him in his relation to Canada is obtained in 1721, when the Council of Marine, on the 24th December, certifies that he was a retired captain on the Canadian establishment and that in that colony the head tax had not been imposed. We have already seen that it was not for lack of desire on the part of the Imperial authorities, that they did not extend the war taxes in France to the people of Canada. (See note 3, p. 259.)

NOTICE OF RECOINAGE OF ISSUE OF 1709

Paris 22 April 1716.

To MESSRS DE COSTEBELLE¹ AND SOUBRAS²

The Council of Marine sends you herewith, Gentlemen, an Edict issued in the month of December last by which you will see that there is in process

¹ Philippe de Costebelle was captain of a company of troops at Plaisance, the French capital of Newfoundland. He was stationed there in 1701, before the outbreak of the war of the Spanish Succession in the following spring. Sr. de Monie was then acting Governor at Plaisance, in the absence of de Brouillan, and it appears from a remark of the Minister in a letter to Costebelle, of 17th March 1703, that their relations had not been very cordial, for he hopes that he will get on better with Subercase, who had been appointed as Governor in 1702, but did not take up his duties until June of the following year. On the 10th April 1706, he was appointed to succeed Subercase as Governor at Plaisance with a salary of 4,000 livres. On the 22nd May he received instructions with reference to his duties and took over the government in September of that year. A full and interesting correspondence is maintained with him during the continuation of the war. By the Treaty of Utrecht, 11th April 1713, Newfoundland was one of the regions ceded to England. On April 12th, the day after the signing of the Treaty, the minister wrote to Costebelle informing him of its terms and instructing him to evacuate Plaisance that autumn, and to endeavour to persuade the people to follow him to Cape Breton, or Ile Royale, of which he was to be the first Governor, under the new plan for its development as the only important possession of the French on the Atlantic coast. An arrangement was made with the English government that the transfer should not take place until the following spring. In the meantime he was to hand over the government of Plaisance to the British. The people must be subject to the British laws and he himself live there as in a foreign country. His appointment as Governor of Ile Royale dated from 1st January 1714. He effected the evacuation of Plaisance in the spring, and that autumn entered upon the task of building up a new French naval establishment and fortress on the Atlantic. The cost of the proposed establishment at Louisburg, as reported by Costebelle, quite alarmed the government, with an empty treasury and a mountain of debts. Hence Costebelle and the Intendant Commissary De Soubras were informed that progress would have to be made very gradually. It was announced, also, that Port Dauphin, on St. Anne's Bay, being so much better situated for a fishing establishment and as a centre for immigrants and settlement, the King had resolved to make it the seat of the civil government and to fortify it adequately. Buildings were constructed there; but the French government, changing its plans, abandoned both Port Dauphin and Port Toulouse, in the neighbourhood of St. Peter's Canal. An interesting and important letter of instructions was sent to Costebelle, as to the policy which he was to pursue in secretly but diplomatically fostering the antagonism of the Indians of Acadia towards the English, and in inducing the Acadians to leave the country and come to settle in Ile Royale, in the neighbourhood of Port Toulouse, in order to build up as rapidly as possible a formidable rival to the British establishments on the Atlantic. (See *Série B*: Vol. 37, under date 4 June 1715.) Early in 1716, the Council of Marine granted leave to Costebelle to return to France, St. Ovide to take command in his absence. He returned to Port Dauphin 21st September 1717, and died there shortly afterwards, in the same year.

² Pierre Auguste de Soubras was appointed as Intendant Commissary, or Commissary Controller, of Ile Royale, on the 1st April 1714, to serve with Costebelle as Governor. There were naturally many hardships to encounter in connection with the first settlements of a country whose climate was not favourable to pioneering conditions, more particularly as the Department of Marine had been unable, for lack of financial resources, to send the necessary supplies. These hardships and difficulties are described very fully in numerous letters from de Soubras to the Council, beginning with his letter of 27th October 1714. These conditions naturally led to much complaint against the officers of government including himself. De Soubras appears, however, to have done his best for the colony under the circumstances, and exhibited exceptional enterprise in endeavouring to make the most of the resources available. Port Dauphin having been selected at first as the new seat of government, with Louisbourg as the military and naval stronghold, de Soubras writes, on October 31st 1715, proposing to establish a sawmill at Port Dauphin. Of this the Council highly approved, and, for lack of water powers on the Island, procured from Hol-

a recoinage of the money of the issue ordered in the month of May, 1709.¹ It indicates at the same time, the rating these coins ought to have.

I also send you a Declaration issued on the subject of passports.

You will take pains to make them public in Ile Royale and to see that they are enforced.

[Not signed]

land plans of windmills which they sent out for de Soubras' inspection. He had also proposed, with the aid of the mill, to build a couple of vessels, of which the Council also approved, and requested Beauharnois at Rochefort to send him the necessary equipment for them. They also sent him a shipwright from Havre to take charge of the work. In connection with the development of the natural resources of the country, de Soubras had sent to France samples of the coal to be had at Spanish Bay (North Sydney) and Glace Bay. The official reports on the tests made at Rochefort were returned to him on the 22nd June 1717. The Council also approved of his efforts to establish lime kilns and brick works, and of his enterprise in the discovery of slate near Port Toulouse. His plans for establishing trade relations with Canada were also commended. This trade afterwards proved to be highly profitable for both colonies. He had also to superintend the distribution of lands to the first settlers in and around Louisbourg, and the two chief centres of settlement at Port Dauphin and Port Toulouse. In 1714 it had been announced to Costebelle that no land in Ile Royale was to be granted in seigneuries. This was ordered as an inducement to the Acadians to come to Ile Royale, as they objected to living under seigniorage. The fishermen, it was said, were eager for beach grants, and the officers for land grants, the Minister being in receipt of numerous applications for whole bays and rivers. They must grant, however, only what could be cultivated. Early in 1718 it was announced that de Soubras was to be replaced by de Mézy; but as the latter was allowed to remain in France until the spring of 1719, de Soubras did not return to France until the autumn of that year. On the 24th August 1718, the Council writes to him that on his return to France he would be employed at the Ports.

¹ Previous to the coinage edicts of April and May 1709, the weight of the louis d'or had been fixed on the basis of 36½ coins to the mark of standard gold, and the silver écu on the basis of 9 coins to the mark of standard silver. These coins were rated at 12^u 15^s for the louis, and 3^u 8^s for the écu. The other coins of higher and lower weights had a proportional rating. The joint result of the two edicts was to change the basis of the weight of the coins and therefore their intrinsic value, by fixing the number of new louis d'or to the mark of gold, at 30, and of the new écus to the mark of silver, at 8. The rating of these new coins was established at 20^u for the louis and 5^u for the écus, and the other coins in proportion. This was a very high rating as compared with the intrinsic value of the metals, but was claimed to be justified on the ground of the necessities of war and the exigencies of the treasury, as also on the ground of retaining the coinage in the country. This rating for the new coins remained in force until December 1st 1713. In the meantime every effort was made to call in the old coins, on the reminting of which the profit of the government depended. One of the chief inducements held out by the Contrôleur General, Desmarests, was that one sixth of the value of the new coins would be accepted in the almost entirely discredited currency notes of his predecessor, Chamillart, together with five-sixths of the rating in old coins, at 13^u for the louis and 3^u 10^s for the écus. In 1713, after the peace of Utrecht, the necessities of trade and industry seemed to require a reduction in the rating of coins. This was effected gradually by Desmarests, with the counsel of D'Aguesseau (see note 1, p. 191). Eleven successive edicts were passed, between December 1713 and September 1715, which lowered the rating of the louis d'or from 20^u to 14^u and the écu from 5^u to 3^u 10^s. With the change of government incidental to the death of Louis XIV, the pressing financial needs of the new government induced a change of policy. Another general recoinage was resolved upon, which was carried out under the edict of the 23rd December 1715, which is referred to in this document. This cancelled at one stroke all the reductions effected between 1713 and 1715, and restored the rating of 1709, at 20^u for the louis, and 5^u for the écu. A large proportion of this increase of one seventh

LOSS SUSTAINED BY VAUDREUIL IN GIVING EXCHANGE FOR CARD MONEY

The Council cannot take action on this request until M. Bégon from his side has given an account of the case, in order to decide it in due form. Write to M. Bégon about it and advise M. de Vaudreuil to that effect.

CANADA 1716.

On the order that the Council has given that M. de Vaudreuil explain himself further in regard to the case of M. de la Boularderie¹ and particularly in regard to the loss he underwent.

He says that, having received orders in 1713 to send a detachment of 40 men and supplies to Ile Royale, craft being then very scarce in Canada, this transport would have cost the King more than 60,000 livres in freight. That induced him, this service being absolutely necessary, the detachment that had been sent from Plaisance to Ile Royale lacking everything, to propose to M. de la Boularderie, Sub-Lieutenant, who was at Quebec in command of a merchant vessel which was to sail for the Islands, to undertake this transport on the said ship.

This officer consented, and agreed with M. Bégon for the sum of 15,000 livres payable in bills of exchange on France; but when the ship was loaded, M. Bégon would not give the bills of exchange that he had promised to M. de la Boularderie and offered him only cards for his payment.

The difference between the cards and the bills of exchange astounded M. de la Boularderie and determined him to discharge the supplies he had embarked for Ile Royale.

M. Vaudreuil who was informed of it and who did not wish this service to fail, proposed to M. de la Boularderie to take over the 12,000 livres of cards which M. Bégon wished to give him, and to furnish him in their place an equal sum in bills of exchange on M. de Champigny payable out of his salary for 1714: which was done, and by means of which M. de la Boularderie carried to Ile Royale the detachment of troops and the supplies that he had orders to send there.

in the value of the new coins was expected to pass to the royal treasury. The old louis were to be received at the mint at 16^{li} instead of 14^{li}, and the écus at 4^{li} instead of 3^{li} 10^s. The government was considerably disappointed in its expectations, as, in spite of drastic legal measures, the money changers and foreign mints were strong competitors for the extensive margin of profit thus created. As all these changes in the value of the money of France were applicable to Canada, and after the withdrawal of the card money very materially affected all its economic transactions and exchanges, one may realize how confusing the results were for Canadian trade and exchange. This subject is treated with much detail in the two volumes of *Reflexions Politiques sur les Finances et le Commerce* (the Hague, 1738), attributed to M. Dudot. (See particularly Vol. 2, pp. 20-108.)

¹ See note 2, p. 161 and p. 367.

As to the loss that M. de Vaudreuil incurred, he says that the card money loses a half, because, when it is taken to the Treasurer's agent for bills of exchange, he gives his bills only for the half of the cards handed to him.

.....

Done at Paris, the — April, 1716.

PROBABLE PAYMENT OF BILLS OF EXCHANGE GIVEN FOR
CARD MONEY

CANADA

CARD MONEY

There is nothing to do but to follow the orders given as to that, the Council not wishing to make any change.

M. Bégon had bills of exchange drawn last year for the redemption of the cards only for the sum of 61,000 livres on the amount of 160,000 livres payable in the month of March 1717, because the traders were not willing to take advantage of that [plan], since those of 1715 and 1716 had not been paid.

As they have commenced to pay part of the bills of 1715, and as they have promised funds in the course of this year for the total payment of the said bills drawn for 1715 and 1716, it is to be believed that they will now take them gladly. Find out if the Council wishes to give orders to M. Bégon to have bills drawn this year for the 99,000 livres that remain of the 160,000 livres payable in 1717, and similarly for the same sum payable in 1718, and if he is to continue each year in succession until the extinction of the cards, taking care to retire twice the sum in this money for the said bills of exchange, and to have them burned in proportion, according to the present plan.

Done and decreed by the Council of the Marine held at the Louvre the twelfth day of May 1716.

AMOUNTS OF CARDS SUPPLIED FOR THE EXPENDITURES
IN CANADA

Paris, 7 June, 1716.

TO M. DE CHAMPIGNY, TREASURER

The Council received your letter of the 14th of last month, with the memorandum attached to it, concerning the amounts that your agent in Canada has

received in card money for the expenditures of your service. The Council is giving orders to M. Bégon to send to it an exact statement of all the amounts which have been supplied in card money, for each separate service, to the agent of the Treasurers. When the Council has received this statement, it will make known to you what concerns your services in 1711 and 1714. Meanwhile it wishes that everything remain in suspense until M. Bégon has sent the explanations which have been requested from him on this subject.

[Not signed]

FUNDS FOR THE FUTURE TO BE SENT IN CASH OR GOODS.
CARD MONEY FORBIDDEN

Paris 16 June 1716.

To MESSRS VAUDREUIL AND BÉGON

.....
You will find enclosed the statements of the funds which the Council has ordered to be remitted in current money, for both the salaries and pay for the last four months of 1715 and the first six months of 1716 and for the fortifications. The Council advises M. Bégon to make use of them in accordance with the purpose for which they are assigned and to return exact statements of the distribution which has been made of them. If, before this despatch has been received, the salaries and pay for the last four months of 1715 and part of the first six months of 1716 have been paid in card money, the will of the Council is that you have the agent of the Treasurer reimburse the officers and soldiers for the cards in cash; and as to the surplus there may be on this fund, because of its not having been all disposed of, you are to apply it on account of the salaries and pay of the last six months, for which the funds will be remitted by the King's ship which will sail for Quebec next year.

M. Gaudion has paid in cash the greater part of the 160,000 livres of bills of exchange drawn for card money payable in the month of March, 1715, and there remains only about 40,000 livres to pay, which will be discharged during the course of this year along with the 160,000 livres due in the month of March 1716. In regard to the 61,000 livres, which have been drawn, payable in the month of March 1717, they will be discharged, when due, in the same way as those which will be drawn in future, until the complete extinction of the cards. In this connection, you have only to follow the orders which have been already given you, in which the Council desires to make no change, but as the funds which are ordered for this year and which will be ordered for subsequent years will be regularly remitted either in trade-goods or in cash, the purpose of the Council is that nothing be paid for in card money, and that all of the latter retired by means of bills of exchange be burned, and that exact minutes be made of it. The Council forbids you to make new card money under any pretext whatever.

.....

[Not signed]

PROCEEDS FROM BEAVER SALES TO BE USED IN PAYING
BILLS OF EXCHANGE

Paris, 16 June, 1716.

TO MESSRS VAUDREUIL AND BÉGON

The Council is sending you attached hereto, a decree which confirms an indenture entered into by Messrs Neret and Gayot with M. Pascault acting both for himself and for M. Le Clerc, merchant of La Rochelle, by which they agree that the beaver received last year, and that which will be received this year and next year is to be placed in the hands of these two merchants, in order to employ the product of the sale of the said beaver in discharging the bills of exchange, drawn or to be drawn during these three years. You will take pains to publish it in the colony.

[Not signed]

FUNDS FOR PAYMENT OF BILLS OF EXCHANGE

20 September, 1716.

TO M. LE COUTURIER¹

The Council of Marine requests you, Sir, to remember to observe the orders of the Regent to have M. Gaudion notified during the present month of September; His Royal Highness has been good enough to promise him the sum of 80,000 livres for the first payment of the 160,000 livres in bills of exchange, drawn from Canada in 1714, for card money and due in the month of March last.

[Not signed]

MONTREAL MERCHANTS OBJECT TO DISPOSAL OF BILLS
OF EXCHANGE FOR BEAVER

COPY OF THE LETTER WRITTEN BY THE MERCHANTS OF MONTREAL TO THE
MERCHANTS OF QUEBEC

Montreal, 5 October, 1716.

Sirs:—

We have done ourselves the honour of writing to you on the subject of the beaver business and have put all our interests into your keeping, they being there as safe as in our own; not being able to come down to Quebec to

¹ M. Couturier had been chief clerk for Desmarests while Controller General of Finance. When the Duke of Orleans became Regent, in 1715, he selected Couturier as chief clerk or secretary, under the title of Chief Clerk of Finance. This position he held until the death of the Duke of Orleans in 1723. His special relations to the Regent and the Council of Finance will explain the numerous appeals made to him by those connected with the Council of Marine in furnishing funds and supplies for Canada and Ile Royale. See, for instance, among the documents reproduced, those of 20th September 1716, 8th March 1717, 17th November 1717, and, among others, those of the 21st June 1721, and 4th March 1722, with urgent appeals for funds for Ile Royale and the fortifications at Louisbourg.

answer to the judgment rendered on a petition presented by M. Lanouillers¹ to

¹ Nicholas Lanoullier de Boisclerc was sent to Canada in 1712 to look after the interests of the new beaver company of Aubert, Nêret, Gayot & Co., and was connected with the colony in various capacities from that time until his death in 1756. He was evidently given to speculative enterprises, which led him into serious financial embarrassments, from which he vainly endeavoured to extricate himself by the misapplication of public funds with which he was officially entrusted. His influential family connections in France, however, enabled him to escape the natural consequences of his dishonesty, and even gained for him the opportunity to redeem if possible his obligations, which were chiefly to the Treasurers General of the Marine, for whom he acted as agent in Canada. We find, however, that he had numerous private debts also. His futile struggle with this heavy load, notwithstanding repeated assistance from various quarters, chiefly royal and official, overshadowed the greater part of his life and ultimately alienated his personal and family friends. A few of the chief features of his interesting, though somewhat tragic career may be summarized as follows. He served the beaver company zealously as the above documents indicate. He endeavoured to have a detachment of troops posted on the Lake Champlain route to prevent the free-traders from smuggling the beaver to the English. When the Company of the West took over the beaver monopoly Lanoullier passed to its service in the same capacity, as also when the latter was merged in the Company of the Indies. He was no less zealous in his own interests, however. Through his family connections in France he had strong, though not distinguished influence with the Court, his sister-in-law, Mde Mercier, having been nurse to Louis XV. On the 23rd May 1719, the King announced the appointment of Lanoullier to the position of Controller of the Marine, rendered vacant through the death of Monseignat, (see note 1, p. 93) and to this were eventually added the functions of the agent of the Treasurers General at Quebec. In January 1721, he obtained an exclusive franchise for twenty years, of the posts for letters, couriers, and public vehicles between Quebec and Montreal, and which apparently at first were rather well maintained. His cavalier treatment, as agent of the Treasurer General, of those who came to him with warrants for payment shortly after the arrival of the vessel with considerable funds, is indicated in the document given on p. 507. It is evidently implied that a limited number of persons with large claims, having influence with himself and Bégon, were specially favoured. On the 10th February 1722, he was appointed a member of the Superior Council at Quebec. On the 8th June following, the King announced to the Governor and Intendant that he had granted Lanoullier the exclusive privilege of constructing floating mills to be placed in the river opposite Quebec. These were evidently tide mills. In 1725 he was suspected, together with Bégon, of assisting in a piece of sharp practice in accepting, just before the proclamation of the reduction of the rating of the currency, (see p. 529) a considerable amount of money paid in on the deficits of M. Petit, former agent of the Treasurers General of Marine. In the spring of 1725, adroitly catering to one at least of the royal hobbies, he sent the young king, now emancipated from the Regency, three live beavers for his menagerie. In acknowledging the receipt of these, in good condition, his petition for leave of absence to visit France was also granted. While there he evidently made good use of his family influence. After his return in March 1729, we find him acting as attorney general, owing to the illness and subsequent death of Collet. This function he continued to discharge until the arrival of the new attorney general, M. Verrier, in September 1728. In the meantime, whether due to his speculative enterprises under his monopolies of postal equipment or tide mills, Lanoullier, like some of his predecessors but more extensively, had been diverting to his own use very considerable amounts of the funds of the Department of Marine, of which, as colonial treasurer, he had the custody and disbursement. These misappropriations were apparently recognized by M. de la Tuilerie, Treasurer General of the Marine, in the returns of Lanoullier in the autumn of 1728. Early in 1729 he had determined on the recall of his agent, and the Company of the Indies had resolved on the same course. But Maurepas, President of the Navy Board, which had succeeded in 1723 to the Council of Marine, suspended the recall until he should obtain definite information from Canada as to his conduct. He then wrote to Intendant Hocquart on the subject. A month later, however, he informs Hocquart that M. Varin (see note 4, p. 601) had been appointed to take over the duties of Controller of the Navy, held by Lanoullier, and enclosed an order of the King for his recall. While these movements were in progress in France Lanoullier was claiming, as against M. Silly, the right to take over the duties of Intendant, as Commissary Controller or sub-delegate of the Intendant in Canada, owing to the death of Daigremont in January 1729. In 1730 Lanoullier was arrested by Hocquart, pend-

the sub-delegate of the Intendant which accords us ¹ upon our business to store our beaver with M. Roebert,² King's store keeper at Montreal, until the General and Intendant have passed on it, we pray you then, Sirs, to be good enough to answer for us. We cannot at present do it ourselves because of the *voyageurs* whom we are awaiting and who, according to all appearance, will not arrive here until towards the end of this month. To this purpose, we send you copies of the suit between M. Lanouiller and ourselves, which you will have the goodness to present to the General and Intendant with our reasons and the requests we make which are: We entreat the General and the Intendant to be good enough to recognize us as opponents to the agreement which Messrs Pascaud and Le Cler have made, unknown to us and to our great injury, with Messrs. Neret and Gayot, in partnership, and to ask that the said agreement be null, and at the same time that Messrs Neret and Gayot be compelled to give us a good and solvent acceptor for our bills of exchange, or failing this that the said Neret and Gayot forfeit their claims on the beaver and that we re-enter into our rights and privileges and that it be permitted us to appoint one or several reliable persons for the purpose of having the said Pascaud and Le Cler render account of the sums of money which, it has been told us, have been received by Messrs Neret and Gayot, to our injury, and of the sales they have made of the beaver seized by them, rightly belonging to us as much as to them, since the said beaver come from us as well as from them, and for representing to the General and Intendant that M. Pascaud is seeking only to ruin all the business men of this country, since he has had it put into the agreement he has made with Messrs Neret and Gayot that the bills of exchange of which he is the bearer are to be paid in preference to all others. By this clause he hopes to reduce all the merchants of this country to the necessity of directing to no others but himself the bills of exchange for the goods which they need for their trade. This cannot be suffered because such an obligation is too onerous and too dangerous. When the said M. Pascaud perceived himself sole master and holder of our bills of exchange, he would oblige whom he pleased, as appears already this year, he having worked only for himself and for some of his intimates: all other holders of our bills notify us that they have not been able to dispose of any, consequently no

ing the examination of his accounts, and in the following year 1731, was sent to France. There, however, he again enlisted his family influence, with considerable success. On the 25th of March 1732, Maurepas informed Hocquart that Lanouiller is going back to Canada to endeavour to reestablish his affairs there, with a view to paying off his obligations to the Treasurer, and asks the Intendant to afford him all the assistance possible. After his return to Canada there was undoubtedly no lack of encouragement and assistance, on both sides of the Atlantic, to enable him to rehabilitate himself. He retained his position in the Council, and was even made Keeper of the Seals. He was appointed to other offices at increased salaries and granted many special favours. But, though he continued to figure in Canadian official life for nearly twenty five years after his return, he was unable to free himself from his obligations to the Treasurer. Some years before his death, in spite of the protests of his family, he was allowed to return to France, and died there on the 6th January 1756.

¹ Undecipherable.

² Sr. Roebert was keeper of the King's Stores at Montreal. He had been found rather unsatisfactory in his conduct on several occasions. In the latter part of 1724, on the ground of the higher cost of living, he applied for an increase of salary, through the Governor and Intendant. But the Minister informs them that though the cost of living was greater in France than in Canada, increases in salary were not being granted there, hence he, with others, was refused. In 1731 the Minister finally dismissed him and appointed his son in his place.

goods are available: a state of affairs which is ruining us and making, on the contrary, a great profit for M. Pascaud, on account of the large cargoes he sends to his agents in this country. These are the facts, Sirs, which we pray you fully to lay before the General and the Intendant in order that they may do us justice: and [we also pray you] to be good enough to notify us by the first opportunity, of the decision and result of this affair, which is to us, as to you, of great importance. Awaiting your reply, we are, Sirs,

Your most humble and obedient Servants

[Signed]

CHARLY, PIER, CHARLY, ANNE CHOSE, THE WIDOW SOUMANDE, DESONIER
QUENET, FOR SELF AND FOR M. POISSET, absent, HERVIEUX, B. NEVEU, FRANÇOIS
POULIN, DECOÛAGNE, JEAN PAUTIER, DUCHOUQUET, REAUME, PIERRE BIRON,
DEMUSSEAU, MARIE LOUISE MONIERE.

Collated and compared this present, to us produced by the S^{rs} Perthuis and Pinaud, and to them at once despatched by the Notary-Royal in the Provostship of Quebec, the original with this present. Quebec 16th October, 1716.

DE LACETIERRE, NOTARY-ROYAL.

URGING ABOLITION OF CARD MONEY AND SUPPLY OF SPECIAL COINAGE

MEMOIR ON THE PRESENT SITUATION OF CANADA [1716]

.....
One can see by the letters that have been received from that country this year to what an extent it has been abandoned and in what desperate straits it is. To attempt to keep it up it would be expedient to give orders from this year entirely to abolish card money. The letters written from that country, from which the deputy¹ who is here has given extracts, make known sufficiently how necessary that is, and if unfortunately this matter is neglected, because perhaps those actually engaged in the affairs of the colony would not have the consequences of it known, this colony would never be able to recover.

As it involves the reviving of trade, which is quite dead, it would be necessary, in order to replace the card money, to send to that country a fund of 50,000 écus in French coin on which a special stamp should be put so that this money would circulate only in Canada and that it might remain there permanently.
.....

[Not signed]

¹ M. Riverin. (See note 1, p. 129.)

PROJECT FOR USING THE PROFITS ON THE BEAVER
TRADE TO RETIRE THE CARD MONEY

NEW ADMINISTRATION OF THE BEAVER TRADE BY THE COLONY ITSELF,
CALCULATED ON THE ANNUAL CONSUMPTION¹

	There are consumed ordinarily
In Holland	50 bales of fat, 120 lbs. weight each. 200 bales of dry of equal weight.
	—
	250
	600 bales in France of equal weight, half fat and half dry.
	—
	850 bales total, making 102,000 pounds.
The 250 bales for Holland equal 30,000 lbs., which, at the rate of 50 ^s per pound, one with the other, would come to . . .	75,000
The 600 bales for the Kingdom equal 22,000 pounds, of which half fat at 5 ^l 10s per pound will give	198,000 ^l
And the other half dry at 3 ^l 10s will give	126,000
	————— 324,000
Total of each Annual Receipt	399,000
From which deducting 1° the cost price in Canada of 102,000 lbs. of ordinary receipts at the customary price of 30s, gives	153,000 ^l
	—————
	246,000 ^l
2° About 38,000 ^l more for freight and insurance on the beaver, expenses at Quebec, LaRochelle, Paris and in Holland, packing, cost of unload- ing, inland transport and also 6000 ^l for unfore- seen expenses in case of need, following the statement in detail	38,000 ^l
	—————
Hence there will remain at the least on each year's receipt	208,000 ^l

This project supposes an administration at the expiration of the agree-
ment of 10 May 1706² which will end in 1717. The Sr Coustol³ who has looked
after this business since the year 1700, has given a statement of all the receipts
and disbursements which have been entered each year on the books, of which
the whole has been exactly extracted.

He judges that everything well considered, there is no expedient more
suitable for retiring the card money of Canada than this administration,

¹ This was evidently written by Riverin, the agent of the colony. It is con-
troverted by D'Auteuil, who attributes it to Riverin in his memoir to the minister
of 20th January 1716 (see above, p. 337).

² See *Série C*¹¹ VI, Vol. 8, p. 109.

³ Sr. Coustol administered the reception and disposal of the beaver in France,
not only under the Company of the Colony, but under the lease of Aubert, Nêret &
Gayot.

well conducted; as he is nearly 70 years of age he would be no longer suitable for this business, but he would not despair of finding at Paris some experienced person, capable of this administration for at the most 3,000^l salary per year.

More than 200,000^l which would result each year from this administration would retire in five years a million of these cards, especially in the favourable event of peace: the remainder would be [retired] in due course. The single disadvantage to be met would be that the process could not take place until after the year 1717, unless this period could be shortened by some new expedient which the time might suggest. The inhabitants of Canada can not complain with reason of the fact that they would be paid only the customary price of 30s for their beaver, since everything that is not paid them on it, and whatever in addition they might hope for, is to be used only for their own deliverance and for the redemption of a money on which they could not hope to avoid making a very considerable loss. If they know their true interests, as is to be presumed, one is convinced that if this project is communicated to them in their country they will not hesitate to accept it as the sole salvation that they can desire in an extremity so disagreeable and so urgent.

[Not signed]

INSTITUTION OF A COPPER COINAGE FOR USE ONLY IN THE AMERICAN COLONIES

Royal Edict declaring that there shall be made in the Mint of Perpignan twelve hundred and fifty thousand marks¹ of copper coins of six deniers and twelve deniers for the American Colonies.

Given at Paris in the Month of December, 1716.

LOUIS, BY THE GRACE OF GOD, KING OF FRANCE AND OF NAVARRE to all present and to come, GREETING. With a view to facilitating retail trade in provisions and to aiding the poor, the late King, our most honoured lord and great-grandfather, ordered by his edict of the month of October 1709, the issue of two million marks¹ in copper coins of six deniers, by means of which issue and of the *liards* that had been already issued, there are sufficient copper coins in our kingdom; but, being informed of the need that the inhabitants of our American colonies have of them, we have thought we ought to accept the proposal which has been made to us to cause coins of six deniers and twelve deniers to be issued. For these reasons and for others moving Us to this, with the advice of our most dear and beloved uncle, the Duke of Orleans, regent, of our most dear and well-beloved cousin, the Duke of Bourbon, of our most dear and well-beloved uncle, the Duke of Maine, of our most dear and well-beloved uncle, the Count of Toulouse, and other peers of France, great and noble personages of our Kingdom, We have by our present edict, declared, enacted and ordered and hereby enact and order and it is our will and pleasure

That in our mint of Perpignan there shall be made without delay copper coins to the amount of one hundred and fifty thousand marks, to wit; seventy five thousand marks of coins of six deniers at a tallage of forty to the mark,

¹ The mark = 244.753 gr.

with a remedy of two coins in the mark, and seventy five thousand marks of twelve denier pieces at a tallage of twenty to the mark, with a remedy of one coin, the heavy compensating for the light as equitably as is possible, without, nevertheless, recourse being allowed from the coin to the mark and from the mark to the coin; the which coins shall bear the impresses represented in the schedule attached, under the counter-seal of our present edict, and [they] shall be current in the whole extent of our colonies of Saint Domingo, of Martinique, of Guadeloupe, of Grenada, of Marie Galande, of Cayenne, of Louisiana, of Canada, of Île Royale and other places under our sway outside of Europe, without their being allowed to be offered or circulated in France. AND SO WE GIVE IN COMMAND to our beloved and loyal councillors, the persons holding our Court of Moneys at Paris, that our present edict they cause to be read, published and registered and its contents kept and observed according to its form and tenor; FOR SUCH IS OUR PLEASURE. And in order that it may be a matter firm and established forever, We have caused our seal to be put thereto.

Given at Paris, in the month of December, the year of grace, one thousand seven hundred and sixteen and of our reign the second.

Signed: LOUIS

And lower down: By the King,

Signed: THE DUKE OF ORLEANS, Regent.

Vised: VOYSIN. Inspected in Council: VILLEROY. *And sealed with the great seal in green wax.*

CLAIM OF VAUDREUIL FOR LOSS ON ADVANCE TO
BOULARDERIE ALLOWED

12 January 1717.

CANADA

COUNCIL

Await M. Bégon's opinion

L.A.B.

Lmd.

M. Bégon, in his letter of 13 November 1716,¹ states that when M. de la Boularderie made his bargain for transporting troops and stores to Île Royale in 1713, he reckoned on being given good bills of exchange. But news having arrived that they would not be paid, he wished to unload his ship. M. de Vaudreuil, to prevent his doing so, and not to cause

On the representation made by the
Marquis de Vaudreuil:²

.....

¹ See *Série C*¹¹ I, Vol. 37, p. 86. See also p. 349.

² The portion of this document omitted is a virtual reproduction of the account of this transaction given in the previous statement of Vaudreuil, and reproduced at p. 349. What follows the portion omitted is new matter.

delay in the shipment to Ile Royale, which was important, took 12000^l of cards from M. de la Boularderie and gave him an equal sum in bills of exchange from his salary for 1714. Thus it appears to him that there is justice in the Council having regard to the loss of one half suffered by M. de Vaudreuil on these 12000^l of cards, which he incurred only to promote a public service, the carrying out of which had been strongly recommended to him.

He ought to be re-imbursed in State notes for the 6000^l he has lost. M. Argoud must see in what form this re-imburement is to be made, and mention it in his first letter.

LB.

Lmd.

had bound himself to pay him 15000^l, money down, for his freight. However, after having loaded and before his departure, having heard that bills of exchange on the Treasurers of the Marine would not be more satisfactorily paid than in preceding years, he did not appear pleased at receiving his payment in card money, and complained that he was deceived in making this bargain, saying that he had undertaken it only because he had counted on receiving bills of exchange which would be fully paid. That is what induced the Marquis of Vaudreuil, in order to stop his complaint, to give him bills of exchange on his own salary, as he has explained to the Council. It is certain that since that time there has occurred a loss of one half on card money, and that, consequently, the 12000^l which he received from the said de la Boularderie in card money has been worth only 6000^l to him.

Done and decreed by the Council of Marine 12 January, 1717.

L. A. DE BOURBON³

MARSHALL D'ESTRÉES⁴

By the Council

LA CHAPELLE

¹ See *Série B*, Vol. 38-2.

² See *Série C*¹¹ I, Vol. 36.

³ This is the signature of Louis Alexandre de Bourbon, Comte de Toulouse, chief of the Council of Marine. Most of the decisions or recommendations of the Council given in the margins of the documents which were passed upon by it during the presidency of the Comte de Toulouse, were initialed by him L. B. or L. A. B.

⁴ Victor Marie duc d'Estrées was the son of Jean d'Estrées, who was also a marshal of France, and was born 30th November 1660. Taking up the career of arms he entered his first campaign at the age of seventeen. He went in command of a vessel in his father's squadron going to America, and remained there two years. After his return he joined Duquesne in the pursuit of the Algerian Corsairs in the Levant. In 1684 he succeeded to the position of Vice Admiral, on the promotion of his father. In 1690 he defeated the English Admiral Torrington in the Channel

CONSEQUENCES OF NON-PAYMENT OF BILLS OF EXCHANGE

26 Feb., 1717.

CANADA

COUNCIL

M. Raudot must consult M. Gaudion about it, and then submit a statement of it, attached to this extract.

L.A.B.
Imd.

[The colony will be completely ruined if the bills of exchange drawn on M. Gaudion are not paid at their maturity, and meanwhile accepted by him.]²

M. Collet,¹ Attorney General of the Superior Council of New France.

He represents that it is of extreme consequence for Canada that the bills of exchange drawn on M. Gaudion, Treasurer General of the Marine, be paid at their maturity, and meanwhile accepted by him, so that their holders may avail themselves of them in negotiating or discounting them. Failing this that colony will be completely ruined, because the necessity it was under of making remittances to France had obliged it to take these bills, both for the month of March next, and for the month of March 1718. It has already lost half on these bills in hav-

and burned a number of English merchant vessels which had taken refuge at Teignmouth, on the Devonshire coast. After further exploits he was created a marshal of France, in 1703. He was appointed President of the Council of Marine, on its organization in 1715, the Comte de Toulouse having the title of Chief of the Council. He was a man of exceptionally broad attainments, being a scholar and a patron of arts and letters. He died at Paris in 1737.

¹ Mathieu Benoit Collet was appointed Attorney General and member of the Council at Quebec, on the 14th June 1712, and was installed the 17th of October that year. The distinguished jurist D'Aguesseau, Attorney General at the time and afterwards Chancellor of France, was consulted with reference to the qualifications of Collet for the position in Canada. As he reported favourably, the King, in announcing his appointment to the Governor and Intendant, could state with confidence that he was a very able member of the bar and the parliament of Paris. In 1716 he returned to France and apparently remained there until 1719. While there he discussed with the government, and especially the Council of Marine, various reforms and improvements in the legal system of Canada. Thus, on the 9th of June 1719, the Council of Marine sends to M. Joly de Fleury, the Attorney General of France, for his opinion, a memorial of Collet with reference to regulations which he had proposed for the proper preservation of the records and registers of the Canadian notaries, upon which so much depended in the French legal system. He also proposed the preparation of a special civil code for Canada, but this was not acted upon at the time. One of the greatest services which Collet rendered to Canada was the establishment of a school of law. This was another matter discussed with the home authorities and evidently approved of by them, for they authorized him while in Paris to obtain the necessary books for such an institution. On July 7th the Council notified the Governor and Intendant that these books had been paid for by them. At the time of the expiration, in 1717, of the lease of the beaver trade held by Néret, Gayot & Co. several matters in dispute between the Company of the Colony whose privileges, obligations, and stocks of beaver and supplies had been transferred to the former, came up for settlement before the courts in Paris. As Collet was then in Paris, at the request of Pinault and Perthuis, procurators of the Company, he acted as attorney for the Company of the Colony; for which he was paid by the Council of Marine, 1,000 livres. He also obtained, as a special annual gratuity from the King, 1,000 livres paid from the Royal Treasury. After his return to Canada we find him engaged, in 1721, in making a survey of all the seigneuries in the colony, for a special report upon them. He died at Quebec on the 5th March 1727.

² Pencilled note of M. Margry.

[The holders will retain these bills, on which the colonists have already lost half, will ship them nothing, and will make them pay the interest on the delay, which will absorb a part of the bills.] [*Margry*]

ing given the Treasurer at Quebec double their face value in cards, and if those which fall due in the month of March next are not paid at maturity, and if the others are not accepted, the holders will debit them to the accounts of the owners, will ship nothing to them, and will make them pay for the delays, which will absorb a good part of the bills. They will completely ruin the trade of the colony.

Done and decreed by the Council of Marine, 26th February, 1717.

L. A. DE BOURBON

MARSHAL D'ESTRÉES

By the Council

LA 'CHAPELLE

COUNCIL OF MARINE URGES PAYMENT OF BILLS OF EXCHANGE

Paris 8th March 1717.

To M. LE COUTURIER

The Council of Marine sends you, Sir, a Memorandum on the subject of the funds necessary for the payment of 160000^l of bills of exchange drawn on M. Gaudion, payable on the 10th of the present month for the liquidation of the card money of Canada. You will see by H.R.H's note in the margin that he wishes to discuss it with you next Thursday. The Council requests you to accept his orders on the subject and to provide the funds as soon as possible.

REFUSAL BY COUNCIL TO ALLOW ANY VARIATION IN RATE AT WHICH CARDS ARE TAKEN

COUNCIL

CANADA

Bills of Exchange on the Domain. 9th March 1717

The Council does not wish to make any change in the orders given.

L.A.B.

lmd.

M. Bégon stated in 1715 that the contractor for building the Palace of Quebec¹ did not wish to diminish the amount of his contract so far as relates to the offer he made him to give him 26,746^l of bills of exchange on the Director of the Domain of the West at Paris, payable in money arising from the funds appropriated in the annual statements of the Domain for the years 1713 and 1714, for the rebuilding of the Palace of Quebec. He accepted these bills of

¹ The palace of the Intendant at Quebec was burned in the spring of 1713. Bégon was then Intendant and suffered the loss of most of his personal property brought from France the previous autumn.

exchange for him and returned the same amount in card money to the agent of the Treasurer, and he asked him to allow him to enjoy the profit he might have on these bills and to grant him a similar favor for 15000¹¹ appropriated in the statement of the Domain for 1715, to compensate him for the loss of more than 40000¹¹ which the burning of the Palace had caused him.

He states at the same time that if they did not wish to grant him this favour, he would return to the agent of the Treasurer twice the amount of these bills of exchange, in card money. On which the Council decided, the twelfth of May 1716,¹ that he would have to remit twice the amount of these bills of exchange in card money.

Orders in accordance with the above were given him on the 16th of June 1716.

He points out in his letter of 14 October 1716,² in reply to that³ of 16 June, the loss that he had already pointed out, of more than 40000 livres, due to the burning of the Palace; that, from 1712 until the 1st September 1715, he received his salary, amounting to 47000 livres, only in treasury notes,⁴ and he believes no other Intendant to be in the same situation.

He entreats favorable attention to the losses he has sustained, which are the cause of it being difficult for him to pay in card money; since the Council has prescribed for him twice the amount of the said bills of exchange. He entreats, also, the granting of several tons of freight in the King's ship for his provisions, as his predecessors have always had, in less trying times.

He gives assurance, in addition, that he will engage in no trade directly or indirectly.

Done and decreed by the Council of Marine, the 9th March 1717.

L. A. DE BOURBON
MARSHAL D'ESTRÉES

By the Council
LA CHAPELLE.

THE SPECIAL COLONIAL COINAGE

*Letters Patent giving currency in America to twelve and six denier pieces.
9th March, 1717.*

LOUIS, BY THE GRACE OF GOD, KING OF FRANCE AND OF NAVARRE; to our beloved counsellors in our Councils, the Governors and Lieutenants-General on our behalf in America and Intendants: to the local governors,

¹See *Série B*¹, Vol. 8-2, p. 524.

²*Série C*¹¹ 1, Vol. 36.

³*Série B.*, Vol. 38-2.

⁴The general term for the paper money so lavishly issued by Chamillart, and which Desmarets, Controller of the Currency for the period mentioned, was unable to do more than prevent from being utterly discredited.

administrative commissaries, officers of the Superior Councils there established and other officers and judges whom it shall concern, GREETING: We order and command you, with the advice of our most dear and well beloved uncle, the Duke of Orleans, regent, of our most dear and well beloved cousin the Duke of Bourbon, of our most dear and well beloved uncle, the Duke of Maine, of our most dear and well beloved uncle, the Count of Toulouse, and other peers of France, great and noble, puissant personages of our Kingdom to give attention, each one in his own rank, to the execution of the edict,¹ of which a collated copy is attached under the counter-seal of our chancery, given at Paris in the month of December of last year, in so far as it orders the circulation in our American Colonies of twelve and six denier pieces, the design of which is in accordance with the said edict, the which you shall cause to be read, published and posted up everywhere where need shall be. It is our will that the said edict, together with these presents, be registered in the Superior Council of Quebec: FOR SUCH IS OUR PLEASURE. Given at Paris the 9th day of March, the year of grace 1717 and of our reign the second. Signed LOUIS and lower down, By the King, the Duke of Orleans, Regent, present: PHELYPEAUX.

ORIGIN AND DEVELOPMENT OF THE CARD MONEY: THE
COUNCIL OF MARINE RECOMMENDS ITS ABOLITION:
RECOMMENDATION APPROVED AND PASSED
BY THE COUNCIL OF REGENCY

Card Money

Recital of what has occurred in regard to this matter

12th April 1717.

To be taken to the Council of Regency.²

L.A.B.
lmd.

Decision of the Council of Regency.

The recommendation of the Council approved, and, if means for paying all the card money in coin cannot be found at present, enough of it to pay the expenses of the year 1717 is to be issued, and the funds for one year will also be sent in coin, to serve for the following year.

L.A.B.
lmd.

It was revoked by Edict of the month of December 1674.⁶

The Council of Marine, before setting forth its advice as to what is to be done to remedy the disadvantages the introduction of card money has entailed in Canada, believes it necessary to recall everything that has occurred on this subject.

It must first be known that the late King, by his Declaration of 19 February 1670,³ ordered an issue of small silver and copper money for America, of denominations of from 15 sols to 2 deniers.

The West Indies Company,⁴ which was still in existence, obtained, on the 18th November, 1672,⁵ a decree by which the rating of this money was raised by one third. By the same

¹ See p. 365.

² The Council of Regency was the council selected by the Duke of Orleans to be associated with himself in the supreme government of the kingdom. The special councils administering the six different departments of state were purely deliberative and executive. Their decisions and recommendations required to be approved by the Council of Regency in order to have legal authority. This constitutional relationship and procedure are illustrated in this important document and its attachments.

³ Given at p. 25.

⁴ This was the first West India Company established in May 1664 (see note 1, p. 57).

⁵ Given at p. 37.

⁶ *Edits et Ordonnances*, Vol. 1, p. 74.

decreed it was prescribed that all the coins of the money of France which might find their way to America, should be likewise current for one third more than their face value, and that articles of agreement, contracts, purchases and payments should be made in money on the same basis of one third increase.

The object of this decree was to cause the coins that might find their way from France to remain in America.

Moreover, this decree was very advantageous to the West Indies Company; it paid its officials with this money at the increased rating, it bought the goods and provisions of the inhabitants with this same money, and it found in both cases an advantage from the increase of one third; it made no less profit on the goods from France which it sold in America, because it increased the price in proportion to the increase in the coins.

From that has come the distinction between the two kinds of money in the colonies: one is called "money of France," reckoning it on the basis of the rating it has in France, the other "money of the country," estimating it on the basis of the rate at which it passes in the country. According to this notion a ten sol piece, money of France, circulates in Canada for 13s. 4d.: a sol of 15d. of France circulates there for 20d., and the other coins in proportion.

But today this over-rating of money has nothing real about it, and, strictly speaking, dwells only in the imagination, for it is certain that all goods sell in every country according to the proportion there is between the money with which they are bought and that received on selling them. And as everything imported to Canada is bought in France and as all returns are made to France, in all purchases and sales the proportion between the different values of coins, according to the rate they have in France and in Canada, is followed. That renders it true that one gets in Canada for 3^{ll}, money of France, what costs 4^{ll} there in money of the country.

In the American Islands they no longer recognized the increased rating of the money of France when the West Indies Company expired, and they spoke no longer of the money of the country, no one having any interest in maintaining it. It has not been the same in Canada, where the beaver and the outfits furnished to the *coureurs de bois* for undertaking trade have given occasion to continue the increased rating of this money.

These *coureurs de bois* are Canadians who go into the depths of the interior to trade for beaver with the Indians. They used to advance them, in the colony, a sum in money of the country, which was given them in goods, of which they had need in this trade, and they bound themselves, on their return, to make payment in beaver to the same amount in money of France. For example, 3000^{ll} of goods, money of the country, were given to certain *coureurs de bois*, which were worth only 2250^{ll}, money of France, and they returned in beaver 3000^{ll} money of France, which gave a profit of 750^{ll} to the person who fitted them out, for the advance and risks during the 18 months or two years that the trip of these *coureurs de bois* usually lasted.

Although trading for beaver in the forests ceased in part owing to going there being prohibited, the distinction between money of the country and that of France has always continued and still exists today, so that the amount on which one agrees in purchases and sales is considered to be in money of the country, unless it is specified that it is in money of France.

But, beyond the fact that this difference is not at present of any utility, and exists only in the imagination, as we have just explained, because goods and chattels sell in Canada dearer by a third in the said money of the country than if they were bought in money of France, the means which it appears it was desired to use to cause these coins to remain in the colonies, by increasing their rating, has not had the effect that had been designed, and, moreover, it is known from experience that the increased rating of coins in a country is not a successful method of causing them to remain there.

That is why the Council will propose, in a succeeding part of this memorandum, to abolish this difference in moneys and to order that coins shall circulate in the future in Canada for the same value as they have in France.

But, first, it is necessary to explain everything that has occurred with regard to card money, and the relation between it and the two different standards of money which have just been mentioned.

In early times the King used each year to send to Canada, on one of the ships, all the funds necessary for the expenditure of the following year, so that the agent of the Treasurer General of the Marine, in Canada, always had sufficient funds to meet the expenditure of the current year up to the arrival of the vessel which brought the new funds. In course of time, it not being possible to remit funds in advance, they contented themselves with sending those of the current year, but as the vessel which brought them did not as a rule arrive in Canada until September or October, and as then almost all the expenditures of the year were made, M. de Champigny,¹ who was Intendant, was forced to issue card money to meet, for the moment, the expenditures of the year.

The coins of France being current in Canada, as has been already said, for one third above their face value, the same rating of a third higher was given to card money in order to keep it in correct proportion to the said money of the country: thus a card of 20 sols, money of the country, is worth 15 sols, money of France, and the cards of different denominations in proportion.

This money was made from playing cards cut in different ways according to the different denominations placed upon them.² The denomination was written on each side in the hand of the agent of the Treasurer, and all the cards were signed by the Governor General, the Intendant and the agent of the Treasurer: the arms of the King and those of the Governor General and of the Intendant were stamped on them; official minutes were made of the preparation of these cards, and at the same time the Governor General and

¹ In this important document the error previously made in the memoir of 1712 (see p. 223 and note 1, p. 227) as to the card money having originated with Champigny, instead of DeMeulles, is given more or less official sanction. From this source very probably it passed to Charlevoix (see vol. 3, p. 92) and other French historical writers.

² The different shapes of the cards and, in later issues, the nature and arrangement of the devices stamped upon them, were necessary on account of the general illiteracy of the people. The earlier bank notes circulated in Canada frequently bore engravings of the coins represented by the notes, both as to number and denomination.

Intendant published an Ordinance to give them currency in the country. The same process was repeated each time new cards were issued; they were given to the agent of the Treasurer¹ to serve him in place of the money which ought to have been forwarded to him from France, and he gave his receipt for them. They issued each year at that time exactly the same amount of them as was to come from France by the King's ship, and on the arrival of the ship the Intendant retired the exact amount of the money that had been issued, by means of the funds he received and of the bills of exchange which he drew on the Treasurers General of the Marine, for the convenience of trade. All the cards which were withdrawn were handed over by the agent of the Treasurer, to the Governor General, the Intendant and the Controller of the Marine: they, after having counted and examined them, had them burned in their presence and prepared an official minute for the discharge of the agent of the Treasurer, to whom they had been given as funds. The same rule is still observed today for cards that are burned.

To understand what the bills of exchange are that we have just spoken of as being drawn on the Treasurers General, it is à propos to explain how and why they were given. The officials who are paid by the King, having, together with the colonists, less need of money than of the furnishings and goods necessary to them, prefer to be paid in France rather than in the colony. They give their pay-warrants² to the agent of the Treasurer General who provides them with bills of exchange on the Treasurer General, and they send these to their correspondents in France who receive payment of them and then send them what they need. Those who wish to remit coined money to France take it in the same way to the agent of the Treasurer,³ who gives them likewise bills of exchange on the Treasurer General. This usage is established to accommodate trade.

The Intendants who succeeded M. de Champigny had continued to issue card money each year to satisfy current expenses, and on the arrival

¹ All the card money was issued through the resident agent of the Treasurers General of the Marine. For a time it represented only the funds already appropriated for expenditure in Canada. The cards were therefore redeemed out of the funds which subsequently arrived from France. When a portion of the funds appropriated was sent out of Canada in the shape of goods, some of the cards were redeemed from the proceeds of the sale of these goods. When, however, the cards were fully established as a circulating medium or currency, an increasing number ceased to be returned for redemption. The funds supplied for the purpose were not therefore all absorbed, which led to their being applied to some of the numerous extraordinary expenditures which arose and which in time exceeded in amount the regular appropriations.

² The "pay warrants" were orders on the agent of the Treasurer General, given to the regular members of both the civil and military staffs; the former through the Intendant's office and the latter through the office of the Governor General. Extensions of this system without adequate checks led to the multiplication of *acquits* and *ordonnances* issued for temporary and special services and miscellaneous supplies of all kinds. All these came back upon the agents of the Treasurers General for payment in either card money or bills of exchange.

³ This system, considerably developed towards the close of the 17th century, was sometimes a special convenience for the government and sometimes for the merchant and traders. DeMeulles had been offered cash for bills of exchange, but at a premium of thirty three per cent for the cash, which was to be supplied on the basis of money of Canada, and the bills of exchange given for it to be paid in money of France. (See p. 75.) At other times bills of exchange on France in Canada were at a premium in cash, as in 1691 (see p. 97). Again, as between 1700 and 1716, payment of the bills of exchange was so uncertain that specie was used in preference for remittances to France and the colony was drained of ready money.

of the vessel which brought the funds for the year they had always withdrawn exactly all that had been issued.

That caused no inconvenience until 1709, when the funds ceased to be remitted in full and the bills of exchange to be paid. That caused the small amount of coined money remaining in the colony to return to France to such a degree that, since that time, one has seen card money only. This stoppage of the transfer of funds has given opportunity for the continual increase of this money, because, there being no remittance of funds to retire it, they have been obliged each year to make an amount equal to that which should have been sent from France.

The sum became so considerable that they began to doubt, in the colony, if it would ever be redeemed:—which caused it to fall into such great discredit and increase the price of goods to such an extent that the country suffered very heavily and trade was impeded.

This inconvenience having given rise to the resolution to suppress it totally, they estimated, in 1714, that there was about 1,600,000^l of it, money of France, and M. Bégon, Intendant in Canada, having stated that the colonists would consider themselves fortunate to be re-imbursed for it at the loss of one half, it was decided to retire all this card money on the basis of the loss of one half of it—to which the colonists consented—but the 800,000^l that had to be remitted being too great a sum to remit at a single time, it was resolved to pay it in five years, and to that end to appropriate each year a fund of 160,000^l in cash, which would absorb 320,000^l of card money. Orders were accordingly given, and since then the Treasurer General has been drawn upon for 577,690^l in bills of exchange, which ought to have disposed of 1,155,380 livres of card money, so that there should not remain at present more than about 450,000^l.

Note:—Of these 577,690^l of bills of exchange, there remain to pay 257,690^l, to wit:—in March 1717, 160,000^l, and in March, 1718, 97,690^l.

But it not having been possible to remit funds for 1714 and 1715, they have been obliged, in order to meet the expenses of those two years, to preserve part of the card money which ought to have been burned, with the result that there still remains in reality about 1,300,000 livres of it, money of France, and it is always so discredited that the people in their regular trade will not take it for more than half its face value.

As the same reasons which caused the resolution to suppress it to be taken, exist more strongly than ever, it is evident that the greatest benefit that can be conferred upon the colony is to take measures to banish this kind of money from it for ever.

It is proposed, to this end, to continue to retire each year 160,000^l, on the same basis of the loss of one half, and to prevent new cards being made in the future it will be unavoidably necessary from now on to send the funds in advance, according to the custom before the introduction of this kind of money. However, as it is not possible to make such a remittance this year, for the last time new card money will have to be made for one year's expenditures, and at the same time funds for an additional year will have to be sent in money. Whatever card money is issued will pay the expenses of the current year, 1717, which, for the greater part, will be due on the arrival of the vessel,

and the funds to be sent in money will be forwarded in advance, (as was done in the past,) for the year 1718; this process will continue hereafter by means of similar funds which will be forwarded every year.

The ordinary expenditure of this colony is 315,000^l, payable from the funds of the Marine, and 95,000^l from the *ferme*¹ of the Domain of the West. We are here concerned only with what is payable from the funds of the Marine, since those chargeable to the *ferme* of the Domain have always been promptly paid by the *fermier* each year without interruption.

With regard to the preparation of the card money which it is proposed to issue for one year more, two courses may be taken: one is to make it different from that which now exists, and to order that this new money shall circulate in Canada at the same rating as the money of France. The other course is to make it similar to what exists at present: if this last course is followed it will be necessary, in that case, to issue in this money, for this one time, what would be equal to the sum to be sent in metallic currency for the expenditures of one year. Thus, the expenditures of one year being 315,000^l, 630,000^l of card money will have to be issued, because, as the King will redeem all the card money only on the basis of the half of its face value, it would not be just to give it in payment for its entire face value. It has been observed above that it is absolutely necessary to send one year's funds in advance, according to the practice of former times, since only one King's ship goes to the colony each year: officials and soldiers must be paid each month, as everywhere else, which cannot be done except the ship for one year carry all the funds necessary until the arrival of the one sent the following year.

If it is desired to dispense with sending the funds in advance, there is no other means but that of re-establishing the practice of issuing card money for the expenditures of one year, and of withdrawing it, as they did in the past, on the arrival of the funds brought by the King's ships. But, altho' it has been said that this caused no injury in the beginning, the practice could not be revived today without much inconvenience, for, this money being discredited to such a degree, the people of the country might fear that, if, after once suppressed, they began issuing it again, it might revive a practice which was very objectionable; thus, sending out funds in advance is the only expedient that will remedy all disadvantages.

¹ As all the colonies were under the general administration of the Department of Marine, funds for their maintenance were supplied through that department and its special treasurers general. But the *ferme* of the Domain of the West with its special trading privileges, such as those connected with the Post of Tadousac, was held by special lessees who paid their rental monies directly into the treasury department. These funds were employed for the payment of special individuals and special objects more immediately under the direction of the King, hence they were commonly referred to as being upon the establishment of the King. As the returns from the *ferme* were always definite and not subject to varying charges, they were promptly paid. It was therefore considered as a special favour to be placed upon this establishment. (See note 2, p. 265.) Temporary difficulties arose afterwards when the cards were reduced to one half their face value, but these were afterwards adjusted. (See pp. 435, 437.) The funds for the Marine, however, were appropriated from the general revenue of the kingdom and subject to all the vicissitudes of the national finance. Like the Department of War it had its own special treasury and treasurers, with its own debts and credits. In special financial crises, as during the closing years of Louis XIV, the Department of Marine was forced to raise funds on its own account through the creation and sale of public offices in its own department.

It remains to pass an order for paying the whole amount, what is to be issued for one year's expenditures, included. It has been calculated that this redemption at the rate of 160,000^l per year will last until 1724 inclusive.

As it would not be just that it should lie in anyone's power to have some paid in preference to others, it is fitting to order the Intendant to make an exact list of all those who send in cards to him for bills of exchange: if there were turned in to him only the equivalent of the 160,000^l of bills of exchange to be drawn each year, there would be no difficulty; but as there will probably be brought to him, for the first years, much larger sums, he will have to draw bills of exchange at so many sols to the livre, that is to say, he will have to make a fair division of bills of exchange in proportion to the amount of card money each individual has sent in to him, so that in drawing only 160,000^l of bills per year, each individual will have a share proportioned to the total amount of card money which is brought to the Intendant.

To prevent further use being made of the cards withdrawn each year by means of the bills of exchange drawn on the Treasurer General, it should be obligatory on the Governor General and Intendant to burn, exactly as done in the past, all the cards for which bills of exchange have been given, and it should also be prohibited to the agent of the Treasurer in Canada to pay in the future otherwise than in money, when he has once met the expenditures of this year with the card money which is to be issued for this purpose.

With regard to the fund of 160,000^l which will be necessary each year to pay the bills of exchange which will be drawn, up to 1724, it is desirable to explain what was done about that in the past.

M. de Pontchartrain and M. des Maretz judged it wise not to have these bills drawn on the three Treasurers General, each for what they owed for the years of their tenure, in order to remove from the minds of the colonists [the impression] that these bills might have the same fate as those which had formerly been drawn for current expenses, and which they were obliged to put into securities.

They agreed to have these bills drawn on M. Gaudion¹ alone in order to persuade the colonists that it was a new arrangement and that new funds would be appropriated for it. They really agreed to appropriate the funds

¹ Colbert re-organized the Department of Marine, after his appointment as minister in 1669, and raised it to its subsequent importance. By the edict of November 1691, it was provided that there should be appointed two treasurers general of the Marine, who should hold office in alternate years and should make payments for a specific list of expenditures, including those of New France. Two others were appointed to make payments in connection with the ports, harbours and arsenals, and still other two for all fortifications in connection with marine ports, whether in France or the colonies. As here explained, it was found necessary to depart from the rule of alternate succession for the purpose of dealing intelligently and effectively with the complex situation attending the withdrawal of the Canadian card money, by assigning the field of Canadian currency and exchange to M. Gaudion alone. This will explain why his name, almost exclusively, is found connected with Canadian exchange problems of this period, (see note 1, p. 207). In December 1716 the arrangement established in 1691 was altered. The treasurers were then appointed in two groups, one for the marine and the other for the galleys. In 1718 the latter were separated from the former. In 1749 the two treasurers for the galleys were dispensed with, while two new appointments as treasurers general were made for the French colonies in America, to hold office in alternate years. The controllers in the establishment of the treasurers general of the marine were at the same time designated to fill these offices of treasurers general of the colonies. (See *Etat Sommaire des Archives de la Marine*, pp. 620-23.)

from the Royal Treasury, from that which remained due to the Treasurer from his resources of 1710 and 1713. It was also agreed that he was to be charged in special receipt, to the profit of the King, with the bonus from the half of the value of the card money, and that the other treasurers were to furnish him with written receipts, answerable for what concerned their resources. In consequence, orders were given at Quebec and bills of exchange were drawn for the years 1715, 1716, 1717, and a part of 1718.

The funds for the first two years were furnished and the bills were paid.

It remains to furnish them for the payment of those of 1717, which are due, and consequently the fund of 160,000^l per year must be continued up to and including 1724.

It remains still to examine what may best be done with regard to the value the card money has in the colony. It has been explained that this money is current in that country for its full value, whilst the King retires it only on the basis of a half loss. This difference in the value of the cards can be of no benefit, because the business men not being able to make use of them for making returns to France except at the loss of a half, raise the price of their goods at least by a half, and, as a necessary consequence, the farmers raise their provisions and the working men their work in proportion. But, apart from this difference in the value of the cards being of no benefit, it causes a great disturbance in the colony, for this reason:—As these cards circulate there for their face value, in virtue of ordinances issued by the Governor General and the Intendant at the time of their preparation, the creditor can not refuse payment by his debtor of that which is due him in that kind of money on the basis of its face value, and as often the debtor has obtained it, through his business, for half of its value, he finds a way of paying with half of what he owes to his creditor, who, owing nothing to anyone, cannot get rid of it, except at the loss of half of it. Those who have securities, the principal of which is repaid them in this kind of money, those who have made loans, and other creditors of this sort, also lose half on repayments made to them,—which gives occasion for much injustice, and, in general, causes great disturbance in trade. There are even at this very time law-suits going on, over these forms of repayments of securities and loans, the decisions of which the Superior Council of Quebec keeps postponing, since it cannot decide them without doing injustice.

To remedy this trouble, the sole method is to make this money current for only half of its value, since the King retires it on that basis alone, and for it to be no longer valid in trade. No one will be injured, with the exception of debtors paying interest, whose case has just been explained, and whose cause, not being favourable, need not be dwelt on.

On all that has been set forth in this memorandum, the opinion of the Council of Marine is, that it is necessary for the King to issue a declaration by which it may be ordered:—

1. That there be issued in Canada no more card money, save for the expenditures of the current year alone, and that, to entirely suppress this money, His Majesty repay each year 160,000^l, for which there shall be drawn bills of exchange on the Treasurer General of the Marine, in the manner explained above, which shall be paid precisely on their maturity.

2. That until the complete suppression of this money it shall be current in that country for only half of the value that it has there at present, and that the agent of the Treasurer shall receive it on this basis for the bills of exchange that he will furnish.

3. To abolish the fictitious "money of the country," it shall be ordered by the same declaration that French coins which circulate in the colonies at the rate of a third above their face value, shall circulate only for the same value they have in France, and that all agreements, contracts, notes, purchases and payments shall be made on the basis of the value of coins according to their currency in France.

Done and decreed by the Council of Marine, the 12th April, 1717.

L. A. DE BOURBON
MARSHAL D'ESTRÉES

By the Council
LA CHAPELLE.

CONDITIONS GOVERNING FINAL ISSUE OF CARD MONEY

DRAFT OF THE KING'S MEMORANDUM TO MESSRS THE MARQUIS OF VAUDREUIL, GOVERNOR AND LIEUTENANT GENERAL, AND BÉGON, INTENDANT, OF NEW FRANCE, ON THE SUBJECT OF CARD MONEY.

His Majesty sends to Messrs de Vaudreuil and Bégon the declaration¹ hereto attached, which he has issued concerning card money: his intention is that as soon as they have received it, they shall have it registered in the Superior Council of Quebec and give attention to its execution.

They will see from this Declaration that His Majesty, in determining to retire all the card money, has resolved at the same time to have some of it issued for the last time, for the expenditure of the latter six months of the previous year and of the first six months of the present. He wishes Messrs de Vaudreuil and Bégon to undertake this issue as soon as they have received this despatch, and to use these cards to meet the said expenditure. And as it would not be just that, at the same time as His Majesty is reducing all the cards to half of their value, and when they are to be retired only on that basis, the new cards, whose issue His Majesty is ordering, should be given for their full face value, his intention is that they be delivered by the agent of the Treasurer to those receiving them, only for half of the value written on them. Thus, a card of 4^{ll}, money of the country, is to be paid only at the rate of 2^{ll}, same money, and the others in proportion. For this purpose Messrs Vaudreuil and Bégon will issue twice the amount of the sum of the expenses of the last six months of 1716, and the first six months of 1717: that is to say, that, if these expenses amount to 300,000^{ll}, 600,000^{ll} of cards are to be made, which, on the basis of the reduction, shall be used by the agent of the Treasurer and shall be available to him only for 300,000^{ll}, which is the same value for which they shall be returned to this agent for bills of exchange.

¹ See the following document.

In virtue of this issue, the funds which are forwarded this year in coined money, by Messrs Gaudion and Champigny, will serve for the payments of the first six months of next year. His Majesty very expressly forbids Messrs Vaudreuil and Bégon to use these funds in coined money for any other purpose. He orders them, even as concerns the officials who receive payment in France of their salary for the last six months of 1716 and for the first six months of 1717, to pay these officials their salaries from the first of July of this year to the first of July of next year, only in cards of the new issue, so that they may be treated in the same way as the rest. As Messrs de Vaudreuil and Bégon always receive their salaries in France, this decision does not affect them, His Majesty being willing to continue to have them paid as in the past.

He will have the funds for a whole year sent forward next year in coined money, stores and goods, and such will be done in like manner each year, so that there will always be sufficient to meet the expenses until the arrival of the vessels each year. His Majesty repeats to Messrs de Vaudreuil and Bégon the prohibition, contained in his declaration, not to make any card money in the future, nor even to make use of those which are withdrawn, for any reason or under any pretext whatsoever. His Majesty desires that, after the departure for France of the vessels of 1718, absolutely no card money shall have currency in the colony.

Messrs de Vaudreuil and Bégon will receive in six different packages addressed to them and divided between the two frigates, 3600 bills of exchange, printed in first and second of exchange, which they are to hand to the agent of M. Gaudion, who will fill them out in favor of those who may return him card money.

They are to be drawn on M. Gaudion, Treasurer General of the Marine, who will accept them and pay them regularly, and to whom the funds will be remitted by the *Banque générale*,¹ the rule of which is to discount at one half per cent per month all the bills which are drawn on it, when they are presented to it and when the holders request it. It is this rule which has prevented these bills from being drawn on the Bank, on account of the large sum it would be obliged always to hold in reserve for this service alone. In order to be able to discount these bills when the holders request it, it has made arrangements according to the periods at which they are drawn and when its funds are on hand.

These bills are all numbered; the first and second of each are of the same number: they are marked with strokes at random on a register, which will serve as a check when they are presented. By means of it, it is impossible that there should be forged bills which would not be recognized at once by matching them stroke for stroke with what remains marked on the register.²

¹ This was the bank established by John Law and which when taken over by the government as the *Banque Royale*, became the central financial institution of the kingdom. (See note 2, p. 411.)

² This was but one of several somewhat similar devices used by France, Britain and other European countries during the 17th and 18th centuries at least. In Britain at this period it was customary to tear out a piece from the margin of a warrant or bill on which were various official signatures. When presented for payment this piece would fit exactly into the original document from which it was torn. In Britain, also, notched pieces of wood were long employed for similar purposes in connection with the exchequer, and were known as "tallies," hence the phrase "to tally with." The burning of these tallies in a stove in the House of Lords in 1834 was the cause of the destruction by fire of the old parliament buildings and the occasion of the erection of the present Houses of Parliament.

Messrs de Vaudreuil and Bégon are to warn the agent of M. Gaudion to take care of these printed bills of exchange, so that none of them go astray, and to give attention, according as people come to request bills of exchange from him, to making use of consecutive numbers. Thus, the first who comes to turn in cards to him this year should receive the bill of exchange numbered "One," which will be drawn payable first March 1718, that numbered "Two" payable first March, 1719, and that numbered "Three" payable first March, 1720, and the next one coming should receive the bills numbered 4, 5, and 6, and so with all the rest, always following the numbers in order. Each of these bills of exchange will be for only one third of the value of the cards which are turned in for it, when reduced according to the Declaration, so that a card of 4^{li} money of the country, will be received for only one livre 10 sols, money of France. There shall be given to the person who returns a sum of 3000^{li} this year, in cards so reduced, a bill of exchange for 1000^{li} payable 1st March 1718, another of an equal amount of 1000^{li} payable 1st March 1719, and another of the same amount of 1000^{li} payable 1st March 1720. In regard to those who, after the departure of the vesels of this year and before the departure of the vessels of the following year, bring in a similar amount of 3000^{li}, there shall be given them two bills of exchange of 1500^{li} each, of which one shall be payable 1st March, 1719, and the other 1st March, 1720.

Messrs de Vaudreuil and Bégon shall forward a statement of the bills of exchange which are drawn by the agent of the said M. Gaudion, wherein shall be marked in the margin the number of each bill. They shall send it in duplicate to the Council of the Marine.

They will perceive by the Declaration¹ that His Majesty has abolished the practice of bargaining in money of the country, and his intention is that they see to it that this be punctually carried out.

His Majesty has ordered the coining of a copper money for the colonies in six and twelve denier pieces. He has set apart 40,000^{li} of it for Canada,² and shipment will be made next year. By this means the colony will have the small coins it lacks and which will remain in it for ever.

His Majesty is having sent to them, hereto attached, a memorandum based on the statements sent last year by M. Bégon in regard to card money. He desires Messrs de Vaudreuil and Begon to verify this memorandum and explain on its margin the origin of the differences there appear to be between the existing cards and those which are due by the Treasurers, and other particulars.

Done and decreed by the Council of Marine, held at the Louvre the 5th day of July, 1717.

L. A. DE BOURBON

THE MARSHAL D ESTRÉES

By the Council

LA CHAPELLE.

¹ See the document which follows this, articles 8 and 9.

² See the proposal made for a special coinage for Canada in 1716 (p. 361).

DECLARATION OF THE KING¹ ABOLISHING CARD MONEY
AND THE "MONEY OF THE COUNTRY"

LOUIS, by the Grace of God, King of France and of Navarre, to all whom these presents may concern, GREETING:—

The inconveniences which card money causes in our colony of Canada have made us take the resolution to have it completely withdrawn at the half of its value, as has been undertaken since the year one thousand seven hundred and fourteen. We are determined also to have issued for the last time, in the said colony, a certain quantity of card money to meet the expenses payable by the Treasurer General of the Marine, for the last six months of last year and the first six months of the present; as also to reduce the value of all card money to the same basis as that on which it is received by the Treasurer, to order that the coins of France shall in future have the same value in the colony as in our Kingdom, and to abolish in the said colony the so-called "money of the country;" which agrees equally with the well-being of our State, with that of our said colony of Canada and with trade in general.

For these causes and for others likewise moving us, with the advice of our most dear and well-beloved uncle the Duke of Orleans, Regent, of our most dear and well-beloved cousin, the Duke of Bourbon, of our most dear and well-beloved cousin, the Prince of Conty, of our most dear and well-beloved uncle, the Duke of Mayne, of our most dear and well-beloved uncle, the Count of Toulouse, and other Peers of France, great and notable personages of our kingdom, and of our certain knowledge, full power and royal authority, we have said, declared and ordered, and do hereby say, declare and order, desire and are pleased with, that which follows:—

Article One

There shall be issued in our colony of Canada, in the ordinary manner, card money, to meet the expenses payable by our Treasurer General of the Marine for the last six months of last year and the first six months of the present.

Article Two

After the said card money is issued, we forbid our Lieutenant General and Intendant in the said country to have any card money issued in the future for whatever cause or under any pretext whatsoever, or to give it circulation.

Article Three

It is our will that, beginning from the day of the registration of these presents by the Superior Council of Quebec, all the card money of Canada, both that of former issues and that ordered by these presents, may circulate in the said colony of Canada but for half of the value written on the said cards, and that it may be received at this rate only, both in any payments that may be made, and by the agent of Monsieur Gaudion, Treasurer General of the Marine, who shall be charged with retiring all the said cards; so that a card of four livres, money of the country, shall circulate for only two livres, of the same money, and shall be worth only one livre ten sols, money of France, and likewise the others in proportion.

¹ See also Declaration of the King of 21st March 1718, p. 433, also of 12th July, p. 443.

Article Four

All the said card money shall be returned, beginning from the day of the registration of these presents, to the agent of the said M. Gaudion, Treasurer General of the Marine, who shall make repayment thereof on the basis, and conformable to the reduction ordered by article three, to wit:—to those who make return this year, before the departure of the vessels for France, one third, payable on the first of the month of March, one thousand seven hundred and eighteen, one third on the first of March, one thousand seven hundred and nineteen, and the remaining third on the first of March, one thousand seven hundred and twenty: and, to those who make return after the departure of the said vessels and before the departure of the last vessels of next year, one thousand seven hundred and eighteen, one half, payable on the first of March, one thousand seven hundred and nineteen, and the other half payable on the first of March one thousand seven hundred and twenty, which repayments shall be made in bills of exchange on the said M. Gaudion, payable in the said periods.

Article Five

The bills of exchange shall be viséd by the Intendant of the said country of Canada; they shall not be for less than the sum of one hundred livres, they shall be accepted, on their presentation, by the said M. Gaudion, to whom we shall have the necessary funds remitted for paying them at their maturity.

Article Six

It is our will that, after the departure of the last vessels for France in the year 1718, the said card money, both of the old issues and of that ordered by these presents, which shall not have been returned, shall be and remain of no value and, consequently, it shall be no more current in trade or in payments: We forbid it to be received, and we forbid the agent of the said M. Gaudion to give any bills of exchange in return for it; we declare it to be all a pure loss to those in whose hands it may remain, without their being able to claim any recovery of any kind or manner whatsoever, on account of their omitting to have returned the said card money before the departure of the ships in the year 1718.

Article Seven

All the card money withdrawn shall be produced by the agent of M. Gaudion, immediately after the departure of the vessels each year, and after having been counted and examined, it shall be burned, in the presence of our Governor and Lieutenant General and the Intendant in the said country, of the Controller of the Marine, and of those who wish to be present; there shall be drawn up official minutes, which shall be signed by our Governor and Lieutenant General, the Intendant, the Controller of the Marine and the agent of M. Gaudion, of each of which official minutes there shall be sent a copy to the Council of Marine.

Article Eight

As the "money of the country," which has been introduced into Canada, is of no use to the colony, and as the two kinds of money in which one may reckon cause confusion in trade, we have abolished, and hereby abolish in Canada the so-called "money of the country"; and in consequence it is our will and pleasure that all specifications of contracts, rents, farm leases and in

general any other affairs whatsoever, be conducted, commencing from the registration of these presents in the Superior Council at Quebec, on the basis of the money of France: of which money there shall be made mention in the deeds or notes, after the sum for which the debtor is bound,¹ and the coins of France shall have the same value in the colony of Canada as in our Kingdom.

Article Nine

It is our will that the quittances, rents, fines, leases, house-rents and other obligations that may have been contracted before the registration of these presents, and in which it is not stipulated as to money of France, may be paid in money of France with a deduction of one quarter, which constitutes the conversion of the money of the country into the money of France.

So we declare and command to our beloved and loyal councillors in our Council, the Marquis de Vaudreuil, Governor and Lieutenant General in New France, Monsieur Bégon, Intendant in the said country, and to the officers of our Superior Council at Quebec, that they shall cause these presents to be read, published and registered and the contents thereof kept and observed according to their form and tenor, notwithstanding all edicts, declarations, decrees, ordinances, rulings and other things to the contrary, which we have revoked and by these presents do revoke; for such is our pleasure. In witness whereof we have placed our seal to these said presents.

Given at Paris the fifth day of July in the year of grace one thousand seven hundred and seventeen and of our reign the second. *Signed* LOUIS, and lower down By the KING, the Duke of Orleans, Regent, present; PHELYPEAUX,² and sealed with the Great Seal in yellow wax.

The Declaration of the King, in the form of letters patent here above transcribed, has been registered in the Registry of the Superior Council of Quebec, in accordance with its order of this day, Maître Paul Denys de St Simon,³ Councillor, performing the duties of Crown Attorney General, having been heard and being the applicant for this, by me, the undersigned, secretarial Councillor of the King, Registrar in Chief of the said Council at Quebec, the eleventh October, one thousand seven hundred and seventeen.

[Signed] DE MONSEIGNAT.⁴

¹ There are numerous references to these articles 8 and 9 in subsequent lawsuits. A couple of samples of these are given (see pp. 513, 613).

² This was Jerome Phelypeaux Comte de Pontchartrain, son of Louis Phelypeaux, Comte de Pontchartrain, and father of Jean Frédéric Phelypeaux Comte de Maurepas, all of whom held the position of Minister of Marine and exercised great influence in Canadian affairs.

³ Paul Denis de St Simon was appointed lieutenant of the provostship of Quebec, 5 Sept. 1678, this office having been created for him by a special edict of June 1678. On the 24th May 1689, he was promoted to the position of provost marshal, which office he held until early in 1714, when he gave it up in favour of his son who was appointed on the 12th May of that year. In 1710 he was temporarily appointed to the Council. In 1714 he asked to be appointed an honorary member of the Council, but was informed that that was not possible as he had not yet been a regular member. He was promised, however, the first appointment which occurred, and in the meantime was given the entry to the Council. At length, on the 1st April 1717, he was appointed as Councillor to succeed M. Dupont and was formally installed on December 6th following. In the latter part of 1717 he was acting as attorney general, and died in 1731.

⁴ See note 1, p. 93.

NOTICE OF DESPATCH OF THE FUNDS

Paris 7 July, 1717.

TO MESSRS DE VAUDREUIL AND BÉGON

The Treasurers of the Marine, Sirs, being obliged to send a portion of the funds which are to be sent in money to Quebec from Poitiers, Bordeaux and Limoges to Rochefort, which may cause some delay, the Council has given orders to have at least the frigate *Victory* sail with half of the said funds, so that you may the sooner receive the despatch of the Council, execute the orders given you, and prepare your answers. The frigate *Astrée* will closely follow the *Victory* and carry the other half of the funds: the Council recommends you so to arrange everything that the two frigates may leave Quebec by the 15th October.

THE UNPAID LOAN IN CARD MONEY TO THE COMPANY OF
THE COLONY TO BE CANCELLED BY THE KINGParis 14th July, 1717.

TO MESSRS DE VAUDREUIL AND BÉGON

The Council has informed the Regent, Sirs, that the Company of the Colony¹ is indebted to the King, for the remainder of the sums which were lent to it in card money, in the sum of 154,617¹¹ 4^s. 5^d. It has laid before him at the same time an account of the Company's inability to pay this sum. H.R.H. is willing to make a gift and remission of it to the Company on behalf of the King: it is thus necessary for you to send to the Council the documents which support this obligation, to which you will join a statement of the amounts which have been paid. You will send also a memorandum containing the legal form you think necessary to give this gratuity in order to close this business.

The cards the Company owes will be returned along with the others to the agent of the Treasurer, and will be paid by means of the 77,308¹¹ 12^s 4^d which will be paid here.

With regard to the sum of 29,997¹¹ due by the partners, also for card money lent them at different times, the intention of H.R.H. is that M. Bégon should attempt its recovery, and that the cards derived from it should be immediately burned.

You will find hereto attached, a petition and papers of Messrs Neret and Gayot² against the Company of the Colony. You will communicate all of it to the parties concerned, and you will explain, at the same time, the nature of the Company, of whom it is composed, and how it is conducted.

¹ See note 2, p. 117, for an account of this Company. The Government under Louis XIV had repeatedly declined to remit the debt due by the Company of the Colony. It was now evident, however, that the Company would never be able to meet this obligation; it was therefore wiped out in connection with the closing of the first period of the card money.

² See *Série C*¹¹ I, Vol. 36, 8th June 1716, also note 1, p. 193.

FORMATION OF THE COMPANY OF THE WEST

Paris, 26 August, 1717.

TO MESSRS DE VAUDREUIL AND BÉGON

The Council forwards you, hereto attached, Sirs, printed copies of the letters patent granted the Company of the West.¹

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¹ The Company of the West. In 1709 the government had determined to grant a charter to a company organized and controlled by Sr. Antoine Crozat with a monopoly of the trade of Louisiana. The government was uncertain, however, whether to issue the letters patent for the Company at that time or to await the establishment of peace. The counsel of peace prevailed, hence it was not until September 1712 that the Company received its charter. Its exclusive trade privileges were confirmed by an ordinance of the King of 27th September 1714. The Company, however, did not find its combined privileges and obligations as attractive as anticipated and desired to give up the charter. John Law (see note 2, p. 411) desiring to extend the commercial interests of his bank as part of his famous "System," petitioned to have the charter transferred to him. His representations to the Regent seem to have caused the latter to abandon his previous intention of declaring a free beaver trade for Canada, in accordance with the general sentiment of the time in favour of liberating the trade of France from the stifling restrictions and monopolies under which it was stagnating. In a memoir to Vaudreuil and Bégon, of 5th July 1717, the Regent declares that he has decided to form in France a strong company, to take over the beaver trade of Canada and to pay for it promptly in bills of exchange at sight and at six and twelve months. Only the price to be paid for the beaver remains to be fixed and on this he requests their counsel. Before their reply was received, however, letters patent were issued for the establishment of the Company of the West. The formation of Crozat's company and the resumption of its powers is referred to, as also the beaver company of Aubert, Neret, and Gayot whose charter is about to expire that year. It is therefore considered desirable to establish a company capable of taking over the trade of both these colonies, hence the Company of the West is formed. All parties, whether individuals or corporations, may take shares in it without detriment to their rank or privilege as *noblesse*. The company is given the monopoly for twenty five years of the whole trade of Louisiana with which was shortly afterwards incorporated the Illinois country, as tributary to the Mississippi, hence the subsequent reference to the "Mississippi Bubble." The Company was also granted a monopoly of the external beaver trade of Canada, subject to the right of the crown to prescribe what quantities and qualities of beaver should be taken and at what prices. The Canadians were permitted to trade freely in beaver skins within the country but not to export them save through the Company. The Company was also given numerous special privileges in trade, and exemptions from duties imposed on the goods of others. The shares of the Company were fixed at five hundred livres each and the total capital was afterwards expanded to one hundred million livres. Following the plan of the bank shares, the shares of the Company were to be paid in the state notes, which were still at a very considerable discount, though bearing interest at four per cent. Certificates for the shares might be had for one or for ten shares, and made payable to bearer. Foreigners might hold these shares, which should be immune from confiscation even during war, and might be freely traded in, alike at home and abroad, being declared to be articles of commerce. The state notes received by the Company were to be converted into debentures to be held by the Company and to bear interest at four per cent. This income was to furnish the trading capital of the Company or contribute to its dividends. The shares of the Company and the salaries of its officials were not subject to seizure for any claims against the holders or officials. While the fate of the Canadian beaver trade was still uncertain the Canadian merchants and traders who were as a rule strongly in favour of free beaver trade, appointed M. Collet, the attorney general of the Quebec Council (see note 1, p. 371), as special deputy of the colony to look after its interest in France. As regards the activities of the merchants of Quebec and Montreal at this time, it may be noted that by an imperial decree of May 11th 1717, the merchants of Quebec and Montreal were permitted to assemble every day in a convenient place to discuss their commercial affairs (*Edits et Ordonnances*, Vol. 1, p. 369.) Two alternatives were presented, (a) the

continuation of the powers of the Company of Neret, Gayot and their associates, (b) the formation of a new company. Collet was furnished with instructions and petitions in either case to secure for the colonists at least an adequate price for their furs as also a proper grading of them, and therefore presented to the court a draft of a contract with the new company providing for the grading of the beaver and the price to be paid for each quality in bills of exchange at six and nine months. He also laid the case of the Canadian merchants before the Council of Commerce which had received the representations of Neret, Gayot & Co. For the various arguments presented See *Série C¹ I*, Vol. 38, pp. 177-191. After the establishment of the Company of the West, Canadian merchants raised the prices which they had previously stipulated. They requested also that the additional bureau at Montreal for the receipt of beaver on the part of the company, established two years previously should be continued. Montreal, it was claimed, was the chief centre of trade, and a receiving office there would tend to prevent the practice of smuggling furs to the English, which prevailed in that district. (See *Série C¹ I*, Vol. 37, pp. 415-424.) In view of these representations, supported by the advice of the Governor and Intendant, an edict was passed, dated July 11, 1718, which, after referring to the various statements submitted to the Council, specifies the grades of the beaver and the prices for each, as also the periods at which the bills of exchange should be paid. The Company was exempt from the tax of one fourth and all other duties, and also enjoyed the privilege of free transport of their beaver in the King's ships. (See *Edits et Ordonnances*, Vol. 1, p. 395, as also *Histoire Générale et Particulière des Finances* (Dufrené de Francheville, Paris 1738). It was soon discovered that the free trading merchants of Canada, alias the smugglers of contraband goods, evaded the agents and guards of the new company even more effectively than those of the old company. The local authorities at the solicitation of the Company and of the Regent, cheerfully passed the prohibitions requested, but without perceptible effect. Then came the edict of the Council of State at Paris, of 4 June 1719, on the beaver frauds, (*Edits et Ordonnances*, Vol. 1, p. 401) containing the most drastic prohibitions and penalties, providing for indiscriminate visitations of all houses, ecclesiastical and secular, in search of contraband goods either entering or leaving the country, and incidentally providing for the establishment of dépôts for the reception of beaver at Montreal and Three Rivers and the issue of certificates which might be received at Quebec for bills of exchange. The Company of the West was employed by Law to gain command of the external trade and commerce of France and was granted a virtual monopoly of the foreign trade of the country, by transferring to it the powers of all the other colonial companies, such as the Senegal, China and African Companies, and changing the name to the Company of the Indies. This was done under edict of May 1719. This change was announced to Vaudreuil and Bégon by the Council of Marine 24th April, 1720, which states in addition that the Company has obtained a contract for the farming of the general revenue of the country, and enjoins on them to afford all necessary aid to the Company. (*Série B*, Vol. 42.) In the meantime the inflation of values due to Law's financial boom and the depreciation of the metallic currency by raising its nominal value, rendered the prices of beaver as prescribed for the Company much too low. The merchants of La Rochelle sent a memorial to the Council of Marine urging that either the prices be considerably raised or that the trade be declared free, with a small bonus to the Company of the Indies. This memorial was transferred to Law, who had become Controller General of Finance, and who accepted the latter alternative. The Company agreed to give up its monopoly of the beaver trade and to accept a moderate duty on the Canadian beaver entering France. This agreement was carried out in the edict of the Council of State, 16th May, 1720. (See Francheville, p. 42.) It fixed the duty of the Company at 9^s per pound on fat beaver and 6^s on dry beaver. To render this effective in practice, the entry of beaver was limited to certain special ports, fourteen in number, extending from Calais to Marseilles. Just after this Law's bubble burst and he was driven from office. Sr. Pelletier de la Houssaye (see note 2, p. 483) having become controller general of finance, it was considered that free trade in beaver, with a special duty for the Company, was not expedient, hence the edict of 16 May 1720 was revoked by another of the 30th May 1721. The monopoly of the Company was re-established. Vigorous protests on the part of the Canadian merchants and their associates at La Rochelle led to this being suspended for a time, but it was ultimately confirmed 22 January 1722. The Company agreed to raise the price of fat beaver to 80^s and the dry to 40^s, this increase being a concession to the effects of the demoralization of the currency, both paper and metallic, and the consequent increase in prices. The Company of the

The receipt of beaver in Canada has been granted to this Company, as you will see by the second article, but the prices and quantities will not be decided upon until after the Council has received the Memoranda it has asked from you on this subject. As this Company is powerful and has large funds, the bills of exchange which will be drawn on it will be regularly paid,—which is a great advantage for the country and will procure it returns in definite periods.

POSTPONEMENT OF THE REDUCTION OF ONE HALF IN THE VALUE OF THE CARDS

Monday 11 October, 1717.

The Council met

.....
 READ THE KING'S DECLARATION¹ in the form of letters patent, dated at Paris, 5th July last, signed *Louis*, and lower down "by the King, the Duke of Orleans, Regent, present: *Phelypeaux*" and sealed with the Great Seal in yellow wax, concerning card money in Canada: heard M. Paul Denys de St Simon, Councillor, acting as King's Attorney General.

The Council ordered and hereby orders that the said Declaration of the King be registered in the Register and copies sent at the request of the King's Attorney General, both to the Provostship of this city and to the Royal Jurisdictions of Three-Rivers and Montreal, there to be likewise registered, read, published where need shall be, kept and observed according to its form and tenor; with the exception of the reduction of one half ordered in the card money, the which shall continue to be received at the rate of the full value written on the said cards, until it shall have been otherwise ordered by His Majesty, subject to whose good pleasure the Council has suspended the said reduction, on account of inconveniences, which it will most humbly represent to His Majesty.

BÉGON

PAYMENT OF BILLS OF EXCHANGE FOR CARDS WITHDRAWN

I

To be submitted to His Lordship the Duke of Orleans. Decision of H.R.H.

Write to M. Law² and tell him to present the Memorandum to H.R.H. to receive orders.

By Article 4 of the Declaration¹ of 5th July 1717, it was ordered that there should be drawn, for half the value of the cards which might be returned the said year, bills of exchange payable in equal amounts on the first of March of the three follow-

Indies, as the result of the collapse of Law's "System," lost its connection with high finance and retired to a rather humdrum existence. In 1731 it resigned to the King the administration of Louisiana. Although retaining its relations to the beaver trade in Canada it did not henceforth play a very conspicuous part in Canadian affairs.

¹ See p. 399.

² John Law was born at Edinburgh in 1671. His father, William Law, of an old family of Fifeshire, was a goldsmith and banker in Edinburgh, where he amassed

ing years, by M. Gaudion, Treasurer General of the Marine, and it is stated

quite a fortune and purchased the estate of Lauriston, which was inherited by his eldest son John, hence his familiar title in history of John Law of Lauriston. Law had studied banking with his father and his writings on the subject of banking and finance indicate that he had developed the principles of the subject in practically their most advanced modern forms. Not finding his projects of high finance acceptable in Britain, he submitted his financial views to several courts in Europe. In 1708 he had submitted his plans to Desmarets of the French Treasury, but at that time it was impossible to make use of them in the critical condition of the French finances. The project of Law's Bank, as a national institution, was first discussed in the French Council of Finance on the 24th of October 1715, when it was brought up by Fagon. The proposal was that the bank should receive all the revenues of the King from the receivers general and the farmers of the revenue, to whom would be issued notes of the bank in denominations of 10, 100, and 1,000 écus, of the same value as the standard coinage. These they would deposit instead of coin at the Royal Treasury and obtain the customary receipts or quittances. The notes would then be paid out by the Treasury in its usual payments. The holders of these notes could have them redeemed at the bank in current coin; but it was confidently and correctly maintained by Law and those who supported his views, that when it was found that the notes were of equal value with the coinage and freely convertible into it, their very superior convenience in use would lead to their being universally preferred to the coins in all domestic trade. Under this system the number of notes issued could never exceed the coins received in revenue. A proportion of such coins, however, could be used for other purposes when it was discovered what proportion tended to remain permanently in the bank. Thirteen of the chief financial and commercial men in Paris were called upon to give their views upon the project. Most of these, including the Marquis d'Argenson, Keeper of the Seals and connected with the department of finance, admitted that the system was perfectly sound if properly managed. The Duc de Noailles voiced the opinion of the majority in saying that, while convinced of the utility of the bank in principle, the credit of the government at the time was far from inspiring confidence in the minds of the public and the chief merchants with reference to any further issue of paper money under its auspices. Delay was therefore generally recommended. The Regent, in summing up the discussion, declared that personally he was persuaded that the bank would be quite successful, but in view of the opinions expressed he did not think it could be effectively carried out at that time; it would therefore be announced that the bank project would not be proceeded with. The details of this discussion are given in the *Memoires du Duc de Saint-Simon*, as an editorial note at p. 393, Vol. 8. Subsequently, notwithstanding the opposition of most of his advisers, the Regent granted to Law, by letters patent of 2nd May 1716, the privilege of establishing a private bank of deposit, discount, and issue with a capital of six millions, payable one fourth in specie and three fourths in state notes, then at a heavy discount. The bank proved so successful in operation that the Regent was relieved of his only doubt as to the wisdom of its connection with the national system of finance, from the fear that it would not meet with public favour. Hence, by an edict of Council of 10th April 1717, it was ordered that the notes of the bank should be accepted at par for all public dues on the same basis as specie. This brought the paper of the *Banque Générale* into universal circulation, public and private, and completely vindicated Law's claims for it. The depreciation of the currency which followed, but which left the notes of the bank on the basis of the original rating of the currency, gave to the notes a value some five per cent above the newer coinage. One of the chief objects of the bank, and in which it was very successful, was the employment of its notes for discounting the commercial paper of the merchant. This was a new feature of banking in France, though for a considerable time in practice in England, and was one of the chief causes of the success and popularity of the bank. Following up this aspect of banking, it was natural that Law should turn his attention to commerce and the development of a plan of general finance, afterwards known as his "System." Following up this idea, he first secured the establishment of the Company of the West, with which was afterward merged the whole colonial commerce of France under the enlarged Company of the Indies. (See note 1, p. 407.) This gave him virtual control of the foreign trade of France. He then developed his "System" by gaining control of the country's public finance, the first step being a complete amalgamation of the *Banque Générale* with the treasury. This was accomplished by a decree of 4th December 1718, when the *Banque Générale*

by Article 5 that they would be accepted on their presentation and regularly paid at their maturity, by the said M. Gaudion, to whom His Majesty will have the necessary funds remitted.

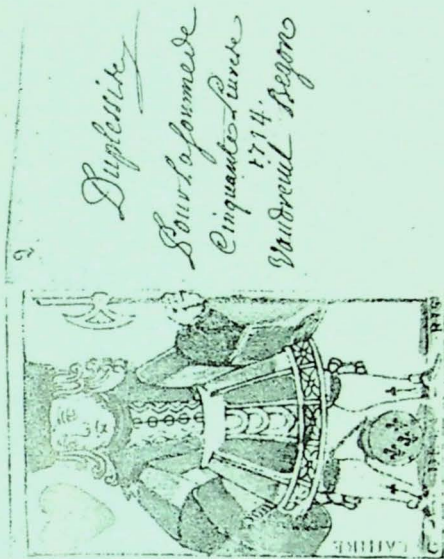
It was stated in the memorandum of the King to Messrs de Vaudreuil and Begon, that the funds for the payment of these bills would be transferred to M. Gaudion by the *Banque Générale*.

In accordance with these instructions, there have been drawn from Quebec, bills of exchange for the sum of 359,696^l 2^s, payable in three equal payments on the first of March, of the years 1718, 1719, and 1720.

They have been presented to M. Gaudion for acceptance, who requests orders on the matter and that there may be transferred to him funds to pay these, as well as those drawn from Canada in 1716, for cards returned payable in March 1718, amounting to the sum of 97,690^l. He has spoken about it to M. Law, who said that in order to put the said M. Gaudion in a position to accept and pay these bills, funds at the Bank would have to be assigned for his re-imbusement.

There would be necessary to this end, a fund payable in March 1718 of	207,588 ^l 14 ^s
Another payable in March 1719 of	119,898 ^l 14
And a third payable in March 1720 of	119,898 ^l 14
Total of funds to be furnished in 3 years	457,386 ^l 2 ^s

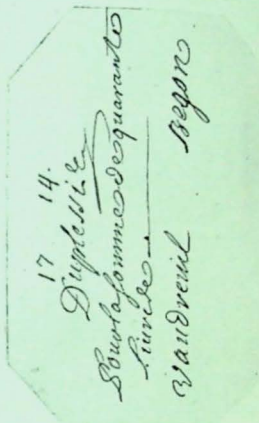
became the *Banque Royale*. He then took over in the name of the Company, under a decree of Council of 27th August 1719, all forms and sources of public revenue in return for one thousand two hundred million livres, which would relieve the state of all its debts. The Company of the Indies thus became the universal farmer of the revenue and the whole of the public debt was converted into obligations of the Company, the State paying the Company three per cent on the total debt. Law had also obtained, on the 25th July 1719, the sole right to coin the national currency. The total revenue of the "System" was calculated at seventy two millions a year. It might have survived more or less indefinitely had it not become the subject of one of the greatest speculations in history. The original shares of the Company of the Indies were established at 500 livres each, but during the latter part of 1719 and the beginning of 1720, the shares rose rapidly to 5,000 livres, 10,000 livres, 15,000 livres, and even by report to 20,000 livres. As this condition could not continue, when the reaction set in early in 1720, it soon became a débâcle to the ultimate discredit of every phase of the "System." To enable Law to control as far as possible the "System" which he had created, at the beginning of the reaction in January 1720, after being naturalized and becoming a Catholic in religion, he was made Controller of Finance. A stream of edicts was issued with a view to sustaining the credit of the notes of the bank. The hoarding of specie, the export of it, or the conversion of it into plate, jewellery, etc. was prohibited under most drastic penalties, but all to no effect except to increase the public suspicion and alarm as to the stability of the "System" and everything connected with it. Although protected for a time by the Regent from the efforts of his enemies to proceed against him publicly, he was ultimately dismissed from the position of Controller General and, after withdrawing for a time to the country, finally left France about the end of 1720 amid the general execration of the broken speculators. He afterwards visited London for a time, but ultimately retired to Venice in 1725. There he died in poverty and obscurity in 1729.



Duplicate
Souffoformede
Cinquante Livres
1714.
Mardreuil Regon



Duplicate
Souffoformede
Cinq Livres.
Mardreuil 1714. Regon



17 14.
Duplicate
Souffoformede quarante
Livres.
Mardreuil Regon



Card money of the higher denominations.—Monnaie de carte des valeurs élevées.

II

To be submitted to the Duke of Orleans.

Decision of H.R.H. :—Write to M. Couturier to give account of it, Thursday, to His Royal Highness.

There remains to pay of the bills of exchange drawn from Canada in 1716 on account of cards withdrawn, the sum of 80,000 livres, which ought to have been paid in the month of March of last year.

The holders are demanding payment of them every day and represent that this delay is absolutely ruining them.

STATEMENT BY VAUDREUIL OF AMOUNT OF CARD MONEY
WITHDRAWN AND BURNED

COLONIES

M. de Vaudreuil

Quebec, 31 October, 1717.

I had the honour to advise the Council, by my letter of 13th November of last year,¹ that after the departure of the fessels I would request M. Bégon to let me know the amount of card money that had been withdrawn and what had been burned, and that this year I would give an exact account of it: this is what I am about to do.

According to an official minute of the 9th March 1714, there were issued 1,293,750^l, at the rate in the colony, of new card money which was to have been handed over to M. Petit,² agent of the Treasurers General of the Marine in this country, to use in replacing the old cards. Up to the 14th of the month of September of the same year, there were employed only 774,405^l 10^s of cards of the new issue, at the rate in the colony, to replace an equal amount of old ones which were burned, according to the official minute of the same day: thus, at the time I went to France, there remained 519,344^l 10^s of new cards for retiring the old. On my return, I found that there had been withdrawn and burned, according to an official minute of the 25th October, 1715, 59736^l 5^s of old cards, but as, since that time, it does not appear that there have been any old cards burnt which had been exchanged for new, there ought to remain 459,608^l 5^s 9^d new ones, which the agent of the Treasurer has assured me have not been received, and of which M. Bégon will give account.

Besides the 834,141^l 15^s of old cards that have been withdrawn and burned, as is stated above, there have been returned 1,540,240^l, money of the country, making 1,155,180^l, money of France, and being double the sum of the bills of exchange drawn on M. Gaudion in 1714, 1715, and 1716 (to wit 640,000^l for 320,000^l of bills of exchange drawn in 1714, 123,000^l for 61,500^l of bills drawn in 1715 and 392,180^l for 196,090^l of

¹ *Série C*¹¹ 1, Vol. 36.

² See note 1, p. 173.

bills drawn in 1716), of which sum of 1,540,240¹¹ 10^s, money of the country, there has been burned only 770,253¹¹ 10^s; to wit 426,666¹¹ 15^s in my absence, according to the official minute of 20th December, 1714, and in my presence 343,586¹¹ 15^s, according to the official minute of the 2nd January, 1717: thus there remained in the hands of the Treasurer 769,986¹¹ 10^s, money of the country, to serve him as a fund for paying the expenses of the country.

There was also burned in my absence, according to an official report of the first November, 1714, 41,000¹¹ 8^s of cards, money of the country, which had been returned according to an official minute of the 27th October, 1710, for Messrs de Fontanieu and de Vanolles, former Treasurers General, and 17683¹¹ 15^s after my return for the said Treasurers General, according to the official minute of the 9th October, 1716; and, again, 32512¹¹ 5^s of cards handed over by M. Bégon for 24384¹¹ 3^s, money of France, which he had had in bills of exchange on Messrs Neret and Gayot at four sols a pound for beaver delivered at their office at Quebec in 1714 and 1715, which 32512¹¹ 5^s of cards, money of the country, were burned the 30th January, 1717. In consequence of the burning of all these cards, there remained in the country at the end of the month of January last, 1,432,046¹¹ 6^s 3^d in cards, money of France, previous to those issued by M. Bégon and myself in 1713 and 1714 and of those of M. Raudot and the older ones.

[Signed] VAUDREUIL

M. de Vaudreuil, Quebec 31 October 1717.

Council: On the amount of cards that may remain in trade.

Nothing to answer. Keep until the explanations which M. Bégon is to give have been received.

Dealt with 22 F. 1718.

[Signed] LA CHAPELLE.

NEW LOUIS D'OR OF 30 LIVRES

Messrs de Vaudreuil and Bégon: Quebec 6 November, 1717

We have received the letter which the Council did us the honour to write to us on the 9th of December last, with a printed copy of the edict¹ of the King,

¹ As already indicated (see note 1, p. 347), the financial straits in which the government found itself at the beginning of the new reign led to a series of changes in the ratings and weights of the currency, which had most unfortunate consequences in both the mother country and the colonies. These results were obscured for a time by the meteoric course of Law's "System," but the effects were none the less real and were especially apparent in Canada where the speculative features had not operated, but only the indirect effects were experienced. The ratings of the coinage had been purposely inflated during the war period, from 1709 to 1713, to prevent the coins from leaving the country. The louis d'or was rated at 20 livres and the silver écu at 5 livres. It was then determined to effect a gradual return to more normal rates. This was accomplished by several decrees between 1713 and the end of 1715, at which latter period the louis d'or stood at 14 livres, the écu at 3 livres 10 sols. Then began the re-inflation under the new policy of the regency. Under an edict of 15th December 1715, a new coinage was decreed restoring the ratings of 1709 of 20 livres for the louis d'or and 5 livres for the écu. At the same time the old coinage was recalled to the mint on the basis of 16 livres for the louis d'or and 4 livres for

issued in the month of November last, which orders the striking of new louis d'or at the Paris Mint, to circulate for 30^{ll}. We have made it public and will see that it is conformed with. None of this issue has yet come to this country.

VAUDREUIL

BÉGON

BILLS OF EXCHANGE FOR CARDS¹

M. Raudot must attach this to the Memorandum of M. Gaudion and speak about it in the first letter.

Messrs de Vaudreuil and Bégon send the memorandum of bills of exchange which have been drawn on M. Gaudion,—in three equal payments from year to year, amounting altogether to three hundred and fifty nine thousand six hundred and ninety six livres two sols,—for the half of the face value of the card money which has been returned to M. Petit, his agent, and which amounts altogether to 719,393^{ll} 4^s, the cards for which will be burned.

The said M. Petit, in accordance with orders which he received from M. Gaudion, has drawn on the appropriations of 1716 and 1717 to the amount of the funds which remain to be remitted for these two years, in order to issue new cards only to the amount of these funds,—which amount to 212,666^{ll} 2^s.

They will issue only twice that amount of new cards and [thereafter] will issue no more of them, according to the Council's orders.

the écu. This was a reduction of one fifth on their intrinsic value as compared with the new coinage, and therein was to consist the profit of the government. But this margin of profit was equally attractive to the money changers and dealers in foreign bills. Although the government made a profit of some seventy two millions through this operation, many of the old coins were hoarded or melted down, to be resold to the mint when bullion should rise in value, or they were sent abroad and restamped in foreign mints with the new designs of the French mint, and returned to France to be put in circulation at the same rate as the new coins. So extensive were these practices and so serious the loss to the government, that it was determined to once more change the coinage. This was the object of the decree of November 1716 which is referred to in this document. The preamble states that differences in the weight and value of much of the coinage restamped and brought into the country have caused a condition which it is necessary to remedy; hence the King orders a recoinage of the louis d'or. The fineness of the metal is to remain the same but the rating and tallage are altered; thus the new louis d'or will be rated at 30 livres, and the weight will be increased by coining only twenty to the mark, instead of thirty as before. This will not alter the intrinsic value of the new coins as compared with the old, since twenty coins at 30 livres and thirty coins at 20 livres both give the value of 600 livres to the mark of gold bullion of the same fineness. These new gold coins were called "Noailles" in honour of the Duc de Noailles, the new President of the Council of Finance. The object of this change was to prevent the practice of taking the old coins abroad to be restamped. The silver écu was not changed. The old coins were, as usual, called in, the recent ones at their face value, but those of 1709 at the previous rating of 16 livres for the louis d'or and 4 livres for the écu. After January 1 1717 they were to be reduced a certain percentage per month. These reductions simply led to much the same difficulties as before, hence they were postponed from time to time until January 1718. For much detail on this subject, with special reference to the effects of these alterations on the foreign exchange of France, see Dudot, *Réflexions Politiques sur les Finances et le Commerce* (the Hague, 1738), Vol. 2, pp. 21-115.

¹ The original letter, signed the 6th November 1717 is to be found in the Archives of the Colonial Office, in C¹¹A 38, ff. 70-73. The List has been copied in the Archives of the Colonial Office in C¹¹A 38, ff. 80-83.

The said M. Petit has drawn the remainder of the bills of exchange chargeable to the appropriations of 1712, and will charge the other appropriations next year with what he draws.

The bills of exchange which are drawn on the first of March next, and consequently are payable on the 11th, amount altogether to the sum of one hundred and nineteen thousand eight hundred and ninety eight livres fourteen sols (119,898^l 14^s).

Of the bills due in March of last year, and drawn in Canada for card money, there remains to be paid the amount of..... 80,000^l

There are still to be paid bills of exchange that were drawn from Canada in 1716, payable in March, 1718, for cards. These amount to the sum of..... 97,690^l

Total.....297,588^l 14

NEW LOUIS D'OR

6 November 1717

Messrs de Vaudreuil and Bégon

That is not possible: the old coins must just be sent to France.

They have had the Edict of the Month of March 1717, registered and published. It ordains that louis d'or of 20^l shall circulate in the colony no longer, and shall be called in and reminted into new louis d'or of 30^l. As there is no exchange office in Canada, they consider it will be necessary for the agent of the Treasurers of the Marine to have orders to make the exchange of old coins for new.

INDEMNIFICATION OF OFFICERS WHO RECEIVE PAY IN CARDS AT REDUCED RATE

Quebec, 6 November, 1717.

The King having ruled that the officers employed on the Establishment of the Treasurer General of the Marine, should be paid for the present year, one half in hard cash and one half in twice the amount of card money, Messrs de Longeüil¹ and Le Verrier,² King's Lieutenant and Major of Montreal, and

¹ Charles Lemoyne, Baron de Longueuil, was the eldest surviving son of Charles Lemoyne de Longueuil the founder of the most distinguished family in French Canada. He was appointed to the position of lieutenant to the King at Montreal, 5th May 1710, and held that office until 1725 when, on the death of de Ramezay, he was recommended by the minister as Governor of Montreal, and his appointment by the King announced on 15th May, the commission being sent out in May of the following year. It appears that he was not satisfied with the terms of the commission and asked to have them amended. The President of the Navy Board pointed out, however, 22 April 1727, that as the commission was essentially the same as the previous commissions granted to Callières, Vaudreuil, and de Ramesay, he should not be so captious about the wording of it. On May 14, 1726, he had applied for the position

Messrs de Louvigny¹ and de la Chassaigne,² King's Lieutenant and Major of

of Governor General of New France in succession to Vaudreuil. But the King, while recognizing his claims, states that he has seen fit to appoint the Marquis de Beauharnois to that important position: Longueuil must content himself with favours for his family, one at least of which was announced at the time. The following year his second son, the Chevalier de Longueuil, was appointed to command at Frontenac. As Governor of Montreal the Baron was much employed in connection with the increasing rivalries between the French and English on the Upper Lakes and their connecting links. The emissaries of these rival powers were constantly endeavouring to gain from the Indians, chiefly the Iroquois and their allies, concessions for themselves and to prevent corresponding concessions to their rivals. During de Longueuil's time these activities centered around the establishment of the English trading post at Choueguen or Oswego, and the French post at Niagara. It appears that, as Governor of Montreal, Baron de Longueuil was granted a gratuity on beaver skins brought in. This was probably as an offset to the traditional temptations for the governors of Montreal to engage clandestinely in the beaver trade. At any rate it gave rise to some disputes between his heirs and the succeeding governor, Chassagne. De Longueuil died 7th June 1728.

² Guillaume Verrier was appointed Major at Montreal in 1716 in succession to Chassagne. On the 5th June 1725, was announced his promotion to the position of lieutenant to the King at Quebec, the commission being sent out the following May. It appears that he had solicited the position of governor of Three Rivers, in 1730, when Chassagne was transferred to the governorship of Montreal, but he was informed that another officer had a prior claim to the position. He held his appointment at Quebec until his death in 1733.

¹ M. de Louvigny de la Porte was a lieutenant in Canada in 1687. He had engaged in the Indian trade at Montreal. Owing to his acquaintance with conditions among the western Indian tribes he was employed in 1690 on a special mission to the Ottawa Indians to prevent their forming an alliance with the Sioux. The Intendant expressed doubts as to the wisdom of the appointment on account of the danger of his utilizing his position to promote his own trading interests. However, his success in this mission resulted in his appointment as commander at the post of Michilimackinac, where he still was in 1694. He was put in command at Fort Frontenac in the autumn of 1699 under the usual prohibitions against trading. Nevertheless both he and his lieutenant, de la Perrothière, together with most of the garrison in a small way, did trade with the Indians. The trade of the commander and his lieutenant, however, was carried on under the guise of the most primitive of all methods of trade, the exchange of presents. This device was operated with equal simplicity and equal protests of injured innocence, on discovery, by many of the British successors at the Indian posts after the Conquest. In the case of de Louvigny some of the Indians arriving at Montreal empty-handed betrayed their friends at Frontenac. The furs on their way down were way-laid in the neighbourhood of Montreal, consigned to certain women. The women engaged in the contraband fur and other trade at Montreal afforded a picturesque factor in the local records of the district, especially in the succeeding period. The disposal of Louvigny's case gave rise to one of the familiar disputes as to the relative jurisdiction of the Governor and Intendant. It was disposed of by the Intendant and Council, under protest of the Governor. Louvigny was judged guilty but treated leniently, as the punishment was confined to the confiscation of the furs. Particulars as to the facts, circumstances and trial, and the naive defence of Louvigny will be found in *Série C*¹¹ I, Vol. 17, from p. 68, and Vol. 18 from p. 28. Louvigny appears to have been Major of Quebec in 1703 and was made a Knight of St. Louis on 10 June 1708. He was specially commended by the King to Vaudreuil and Bégon in June 1712. In April 1716 he was appointed lieutenant to the King at Quebec. He had been engaged in a successful war with the Fox Indians and concluded a favourable treaty with them in 1716. It appears that, on 6th September 1710, he had been granted an extensive tract of land in Ile St. Jean, now Prince Edward Island. This was revoked 5th May 1716. In 1718 he had submitted a proposition for the periodic inspection of the various western posts. This was submitted to Governor Vaudreuil for his opinion, which was apparently favourable, as the King issued a special order, of 2nd June 1720, appointing him commander in chief of the Upper countries, which he was to visit on a trip of inspection every second year. He was appointed Governor of Three Rivers on 26th December 1724. He was lost in the wreck of the King's vessel, the *Chameau*, 27th August 1729.

² Bouillier de la Chassagne was a captain in Condé in 1677, and came to Canada

Quebec, have asked to be paid half in bills of exchange upon the Domain of the West, and half in twice the amount of card money. We did all we could to get M. De Monseignat, director of the Company to agree to this, but this he absolutely refused to do, representing to us that he had orders from his company to furnish for payment of the parties employed on this Establishment the card money that he had received as the product of the taxes of this *ferme*, and that he was to give out the said card money at the same rate as he had received it; in consequence he would give them only a third in bills of exchange and the other two thirds in card money not reduced by one-half, on the ground that in 1714 it was ruled that the *fermier* should furnish for the payment of the public charges, the card money which he received as the product of the taxes, and merely bills of exchange for the rest. From the return of the taxes which he has received this year, and which he is sending to his company, he claims justification that, in following this rule, he cannot give more than a third in bills of exchange.

M. Bégon proposed to provide for him an ordinance to authorize him to make such payment, and, if the payment were not approved, these officers would bind themselves to return next year what they had received from him above what he had orders to pay them, but he was not willing to become a party to this expedient, and told us that he would protest against the ordinance if M. Bégon issued it.

As there is no room to doubt that the Council's intention is that officers on the senior establishments be treated as favourably as those of the troops on the Establishment of the Treasurer of the Marine, M. Bégon has had M. Petit, agent of the Treasurers General of the Marine, furnish these four officers with bills of exchange upon the Domain,¹ from the funds appropriated this year for the Palace, and for the other half, double the amount in card money. All the other staff officers were paid in France upon their powers of attorney—which was an additional reason for these four being paid as they requested, it being just that they be treated as the others who were paid in France.

We entreat the Council to order the *fermier* of the Domain to reimburse M. Petit the amount of the vouchers of these four officers;—which were furnished him for the payment that he made them.

M. Bégon employed this expedient to satisfy these officers, because it is not at the King's expense and because these vouchers, being discharged in France, the bills of exchange appropriated for the Palace will produce correspondingly twice the sum in card money, according to the purpose of the Council.

It would also be most desirable to be able to satisfy all the other employés on the public charges, who complain much that they are paid, some but a

with the same rank in March 1687. On the 5th May 1710, he was appointed Major of Montreal and became a Knight of St. Louis 7th July 1711. He was promoted to be Major of Quebec on 27th June 1716, and on the 7th June 1720, the King informs him that he has been appointed Lieutenant at Montreal in succession to Louigny. He succeeded the latter as Governor of Three Rivers, 23rd April 1726. He was next promoted to be Governor of Montreal, on the 16th June 1730. On account of his advanced age he was retired from that position April 1st, 1733, with a pension of 3,000 livres. He died the same year.

¹ See note 2, p. 265 and note 1, p. 387. See also pp. 435, 437 for the solution proposed.

third, others but a quarter in bills of exchange and the remainder in cards which have not been reduced by half; but it has been impossible to get M. Demonseignat to treat them more favourably.

As matters will be in the same state next year, we entreat the Council to make its intentions plain to the Company, in order that it may give its orders to M. Demonseignat in conformity therewith.

VAUDREUIL.

BÉGON.

DEFAULT IN PAYMENT OF BILLS OF EXCHANGE

Paris, 17th November, 1717.

TO M. LE COUTURIER

The merchants of La Rochelle have complained, Sir, of the default in payment of the second half of the 160,000^l in bills of exchange, drawn from Quebec on M. Gaudion for card money, which were due last March. They provided double the face value of these bills in card money, and besides this loss it is at present costing them interest and charges: these the people with whom they had negotiated them make them pay, and they have obtained writs of arrest for debt against them, which force them to keep to their houses; this is ruining their credit and business entirely. Following the account that has been given of it to H.R.H., he wishes you to take his orders and have a fund of 80,000^l remitted to M. Gaudion so as to put him in a position to make complete payment of the said bills.

REFUSAL TO ACCEPT BILLS OF EXCHANGE

S^r COLLET¹

Nothing to answer. Make a memorandum of matters relating to the bills of exchange and card money, to be laid before My Lord the Duke of Orleans.

Deputy of the Colony of New France, represents that the bills of exchange drawn on M. Gaudion in 1716, payable in the month of March, 1717, having been only half paid, M. Gaudion has not yet funds for the other half.

Secondly, M. Gaudion refuses to accept not only the bills of exchange drawn in 1716, payable in the month of March of the present year 1718, but also those that were drawn last year payable in the same month of March, although by article 5 of the declaration² on the subject of card money, issued on the 5th of July last, it is stated that he shall accept them on their presentation and shall pay on maturity.

¹ See note 1, p. 371.

² See p. 399.

3. The *Banque Générale*¹ refuses to discount these bills, although it had held out that hope, and to persuade people to that effect had provided the engraved paper on which they are made out, which is of the same form as that of the Bank notes. At the same time it appears to the eyes of the public that it is discounting the bills of exchange drawn by private persons, however little they may be known, whilst it refuses to do so for those drawn by order of the Council and in accordance with a Declaration of the King.

He entreats the Council to continue its protection to this colony, to give it the same advantage for the discount of its bills, and to put an end to the very considerable injury which its trade suffers.

TREATMENT OF CARD MONEY—COPPER COINAGE

CANADA

Council of Marine, 7 December, 1717

Card Money

Write to the Duke de Noailles and request him to hasten the coining of the copper money for the colonies, where it is being urgently asked for.

Messrs de Vaudreuil and Bégon state that they will not issue card money, except for the expenditure of the last six months of 1716 and the first six months of 1717, conformably to the King's orders.

They will see to it that the card money which is not returned before the departure of the last ships in 1718, shall no longer have currency in the colony.

Immediately on the departure of the vessels each year, they will have the agent of the Treasurer produce the retired cards, which shall then be burned.

They represent that in order next year to obtain greater convenience for those not having cards enough for two bills of exchange of 100^{li} each, for which they must have 400 French livres in card money, it is necessary for M. Gaudion to order his agent to furnish bills for 50^{li} each.

They have notified the merchants that the bills of exchange would be paid regularly at maturity; and it appears important to them that those which mature on the 1st March 1718, of which they are sending a statement by the last vessels, be paid without any delay, in order to give confidence.

The small change being coined in France for the colonies, and of which a portion is to be sent to Canada, will do much good and be very useful.

[Not signed]

¹ This was the bank established in Paris by John Law, generally known as the *Banque Générale* which was afterwards amalgamated with the Treasury Department as the *Banque Royale* (see note 2, p. 411).

RELIEF FOR DEBTORS UNDER THE SCHEME FOR REDUCTION
OF THE VALUE OF THE CARDS

Declaration of the King of 21 March, 1718, which reduces the cards to half, their value.

LOUIS, by the grace of God, King of France and of Navarre, to all who shall see these present letters, Greeting: By our declaration of the fifth of July of last year,¹ we ordered, among other things, that from the day on which it was registered in the Superior Council of Quebec, all the card money of Canada, both the old issues and that ordered by the said declaration, should no longer have currency in trade or with the agent of Sr. Gaudion Treasurer General of the Marine, except for half the value written on the said cards, and should be received only on this basis:—which however has not been carried out. The S^{rs} de Vaudreuil and Bégon, Governor and Lieutenant General in New France and Intendant in the said country, having represented to us that the Superior Council at Quebec postponed the execution of our declaration regarding this,² until it had received new orders in relation to it, because of the inconveniences that would have resulted from it, which are, that since 1714, the cards having been received at the Treasurer's for only half of their value, and the merchants having sold their goods on the basis of this reduction, the farmers their produce and the labourers their day's work, those who have contracted debts since this time would pay the double of what they owe if they had not the liberty of paying in cards on the basis of their full value. For this reduction to take place, it would have been necessary to insert in the declaration that, in regard to debts contracted since 1714, which were begun by giving bills of exchange for half the value of the cards, the debtors should be able to pay by giving their creditors bills of exchange on S^r Gaudion for half the value of their debts, in which case they would have been in a position to make terms up to the complete suppression of the cards. Having regard to which representation, We, on the advice of our most dear and well beloved uncle, the Duke of Orleans, grandson of France, Regent, of our most dear and well beloved cousin the Duke of Bourbon, of our most dear and well beloved cousin the Prince of Conty, princes of our blood, of our most dear and well beloved uncle the Duke of Mayne, of our most dear and well beloved uncle the Count of Toulouse, legitimized princes, and other Peers of France, great and noble personages of our Kingdom and, of our certain knowledge, full power and royal authority, have pronounced, declared and ordered, and hereby pronounce, declare and order, and it is our will and pleasure, that, commencing from the day of the registration of these presents in the Superior Council of Quebec, all the card money of Canada, both that of the old issues and that ordered by the declaration of the fifth July 1717, shall have currency in the said colony of Canada for only the half of the value written on the said cards and shall be taken only on that basis, whether in payments that may be made, or by the agent of the S^r Gaudion, Treasurer General of the Marine, charged with retiring the said cards; so that a card of four livres, money of the country, shall have currency only for two livres, same money; and shall be worth only one livre ten sols, money of France, and so the others in proportion. It is our will, however, that those who have contracted debts

¹ See p. 399.

² See Order of the Council of 11th October 1717, p. 411.

since the year 1714, when the first bills of exchange were drawn for the half of the value of the cards, up to the day of the registration of these presents, may pay them by giving their creditors bills of exchange drawn for the disposal of the cards on the S^r Gaudion for half the amount of their debts, provided that there is no special stipulation for payment in kind or in any specified money besides the cards. We order the Superior Council of Quebec to determine the day during the year 1714, from which bills of exchange for half the value of the cards were given by the agent of the said S^r Gaudion,¹ and it is our will that from the said day up to that of the registration of these presents, those who have contracted debts may pay them as is stated above. Thus do we declare and command to our beloved and trusty counsellors in our Councils, the Marquis de Vaudreuil, Governor and Lieutenant General in New France, the S^r Bégon, Intendant in the same country, and to the officers of our Superior Council at Quebec, that these presents they do cause to be read, published and registered, and the contents thereof kept and observed according to their form and tenor, all Edicts, Declarations, Decrees, Ordinances, Rulings and other things to the contrary notwithstanding, the which we have revoked and do by these presents revoke. For such is our pleasure. In witness whereof We have caused our seal to be placed to these presents: Given at Paris the twenty first day of March in the year of grace one thousand seven hundred and eighteen and of our reign the third: signed Louis, and lower down, By the King, the Duke of Orleans, Regent, present, and signed Phelypeaux, with paraph, and sealed with the great seal in yellow wax.

The Declaration of the King above transcribed was registered at the Record Office of the Superior Council of Quebec, Maître Paul Denys de St Simon, Councillor, discharging the office of Attorney General for the King, having been heard and suing for this according to his decree of this day, by me, the undersigned councillor secretary of the King, chief clerk of the said Council, at Quebec, the 12th August one thousand seven hundred and eighteen.

[Signed] DE MONSEIGNAT.

MEASURES PROPOSED FOR MEETING COMPLAINTS ARISING FROM REDUCTION IN THE VALUE OF CARDS

March 30, 1718.

TO MESSRS DE VAUDREUIL AND BÉGON

The Council has noted, Gentlemen, all that you stated in your letter of 20th October of last year, in regard to the declaration concerning the card money, which was registered in the Superior Council, to take effect, with the exception of what concerns the reduction of one half in the value of the cards in trade, in which particular it was suspended on account of the inconveniences of which you make mention in your letter.

It has also received complaints from almost all those who are paid by the *fermier* of the Western Domain, who complain with reason that they are losing, some a quarter, others a third on what they receive:—which arises from the card money being only worth one half at the office of M. Gaudion, whilst it

¹ The date was fixed by the Council at the time of registering this declaration. (See p. 445.)

is of full value in trade. A full account of it has been given to the Council of the Regency, as well as what you have stated that, in order for this reduction to take place, it would be necessary for it to be specified in the declaration that, in regard to debts contracted since 1714, for which people have begun giving bills of exchange at one half of the value of the cards, debtors could clear themselves by giving to their creditors bills of exchange on M. Gaudion for half the value of their debts. It was proposed to issue a declaration ordering this reduction, in conformity with this advice, and even leaving you the liberty not to have it registered if you judged it unsuitable.

The Council of Regency decided, in accordance with this proposal, and you will find the declaration hereto attached. It is sent you in duplicate by the first vessels so that you can have it registered, in case it is suitable, before the *fermier* of the Domain of the West receives any of the revenue from his *ferme*; and it will end the complaints as to their salaries and gratuities, of those who are provided for on the Establishment of the Imposts¹—for they will be paid in money which has an equal value in all the country.

.....

[Not signed]

DECISION AS TO PAYMENT OF SALARIES PARTLY IN CARD MONEY

The same day, [6 July, 1718]

TO MESSRS DE VAUDREUIL AND BEGON

Gentlemen, the Council received yours of the 23rd September, the 20th October² and the 6th November³ of last year, with the papers accompanying them. It appeared to it that S^r. de Monseignat, of whom you complain in regard to the payment of the salaries of staff officers carried on the Establishment of Taxes, was right in refusing to pay them as they asked, being able to give them cards only at the rate at which he had received them; and the Council does not wish to make any change in that matter. It does not know in what way the *fermiers* of the Domain of the West have paid the warrants of those officers here, not having deemed it proper to issue them any orders on that; but it has strongly disapproved M. Bégon's having had the agent of the Treasurers of the Marine receive these warrants, having half paid to them in money and for the other half twice the amount in card money given to them. The purpose of the Council is that you make good to the agent the advances which he made for these payments, that you have these officers return in card money the amounts by which they were overpaid, and that the same thing must not happen again in the future under any pretext whatever. If the declaration of the King concerning card money had been carried out, the staff officers would not have had difficulty with the agent of the Domain; but it not having been, this agent could make payment only on the same basis as he received his revenues. It is true that thus the staff officers will not be treated so favorably as the regimental officers: but, beyond that, it can apply at most only for last year and this. They should consider

¹ The establishment of the King, or of the King's revenue, as distinguished from that of the Marine. (See p. 423, and note 1, p. 387.)

² See *Série C*¹¹ I, Vol. 38, p. 1.

³ See p. 419.

that these latter have been receiving for more than ten years only card money, whilst they have always received their salaries, partly in money, partly in cards. With regard to the other persons carried on the Establishment of the Taxes, one can exact nothing else from the *fermier* of the Domain than the distribution of the card money to all, just as he receives it in Canada, and the giving for the remainder, to each one equally, bills of exchange payable in Paris. That is what you must hold to, so that no preference may be shown.

The Council will this year expect the documents it asked of you last year concerning the sum of 154,617^l 4^s 6^d which the Company of the Colony owes to the king in card money, and of which His Majesty is willing to make a gift and remission to it, in view of its inability to pay this sum. Do not fail to send everything for which the Council has asked you in regard to this matter, in order to put it in due form.

As to the 29,997^l also due in card money by several private parties, the Council has approved that, in accordance with the orders it gave last year, M. Bégon should attempt to secure payment and that the cards resulting from this recovery should be burned. Since you were not able last year to answer the petition of Messrs Neret and Gayot which the Council had sent you, it counts on you sending it back this year with all the necessary explanations. It urges you not to fail to do this. With regard to what you have stated as to what is due M. de Ramesay by the former Company of the Colony, the King cannot share that debt, nor that of M. de Subercaze,¹ who is in the same position; they must proceed against the said Company as they think best.

The Council has approved what you did concerning the bills of exchange drawn last year for the card money which was sent in to Sr. Petit, agent of Sr. Gaudion. The same procedure is simply to be continued in accordance with what has been prescribed to you. It advises Sr. Bégon this year to reply to the memoir and remarks sent last year as to the memoranda of 1716 concerning all the card money.

It has seen the memorandum of expenses which were incurred for the rebuilding of the Palace and for the King's Stores at Quebec. It approves using the sum of 53,306^l 13^s 3^d, which remains in the treasury in card money from the funds ordered for this expenditure, to finish these undertakings. His Majesty will provide no more funds for them, as this sum is sufficient. The Council will await the measurements which you state are to be sent when these buildings are completely finished.

.....

[Not signed.]

¹ Having reference to de Ramezay and de Subercase as the only two shareholders of the Company of the Colony who had paid for their shares (see note 1, p. 163).

DESIRABILITY OF POSTPONING THE SUPPRESSION OF THE CARDS.

The S^r Foucaud de Bellefond—

To be carried to the Duke of Orleans.

Decision of H. R. H. Write to Canada to the effect that it is proposed to have M. Gaudion accept the bills of exchange at maturity for long term bills, and in four months for those whose term has expired.

The failure to pay the bills of exchange drawn from Canada for the value of the cards has produced a very considerable injury to the colony of Canada for the want of goods in return, and, according to appearances, will prevent those who have cards from returning them to the agent of the Treasurers to get bills of exchange, because those given last year are not paid. However, as the declaration of the King ex-

pressly states that the cards which remain in private hands shall be decried after the departure of the vessels, those who keep them will find them of no value. We are persuaded that representations on this subject will be made to Messrs de Vaudreuil and Bégon and that it will be pointed out to them that if they do not order, subject to the good pleasure of the King, that the cards are still to be current in the country until the departure of the vessels next year, the people will find themselves without any sort of money to buy from each other, since the bills of exchange not having been paid, all the coined money in the colony will return to France.

It will also be pointed out to them that if His Majesty has ordered the decrying of the cards after the departure of the vessels, it is because he was persuaded that the condition of his finances would permit him to pay the bills of exchange, and that since he has not been able to do it and has given no assurance of payment within a certain time, we are persuaded that he will approve of postponing the decrying of the cards, in order to prevent the stoppage of all trade in the colony and the evils that must follow from that.

Done and decreed 12th July, 1718.

SUPPRESSION OF CARD MONEY MAY BE AGAIN POSTPONED:
BILLS OF EXCHANGE TO BE ACCEPTEDParis 13th July 1718.

TO MESSRS DE VAUDREUIL AND BÉGON

The alteration the King has made in the currency by the new coinage he has ordered,¹ has been the cause, Gentlemen, of the bills of exchange drawn for

¹ Referring particularly to the new edict of May 1718 for the general recoinage of the currency. Most of the numerous changes made in the currency during 1718 and 1719 had primarily in view the simple object of enabling the government to derive successive profits from the manipulation of the coinage, hence even Law's bank notes, when declared to be of legal tender, came to have a higher value than the currency. The secondary object of the frequent changes was to find excuses for calling in the coinage in order to render it scarce for a time and thus give greater opportunity for the circulation of the bank notes. The explanation given here is simply one phase of the matter.

card money not having been regularly paid at their maturity. They cannot, in fact, be paid before four months; but in order that those who have them in their possession may make use of them, the Council is authorizing M. Gaudion to accept those that have matured, for payment in four months, and the others at their maturity. Funds will be furnished to pay them: thus you may assure those who have sent them that they will be regularly paid at these periods.

However, as the default in the payment of these bills might cause the inhabitants of Canada to fear next year the same inconvenience as occurred this year, and cause them to send all the money they had to France to obtain returns in goods,—an event which would cause great injury in the colony, since the cards being decried by the terms of the declaration of the 5th July 1717, after the departure of the vessels, no money of any kind would be found in the colony,—the Council proposed to the Regent to send you an ordinance of the King¹ for postponing, until the departure of the said vessels of next year, the decriing of the cards. At the same time it must caution you not to make this ordinance public unless you deem it absolutely necessary for the good of the colony. H.R.H. approves this. You will find this ordinance attached hereto; but you will not make use of it unless you see that it is impossible to do otherwise; for if it appears necessary in order to provide a currency in Canada where failing that there would not be any, it is nevertheless injurious to the colony to permit the card money to remain, it being to its interest to suppress it as soon as possible, it being certain that while it remains supplies will be dear. You must weigh matters and see which of the two inconveniences it would be best to avoid and follow the one which appears best to you in the matter. The Council also proposed to the Regent that the agent of Sr Gaudion be allowed to furnish bills of exchange of 50 livres² for the convenience of those who have small amounts of cards, and as H.R.H. approves it you will give orders accordingly to the agent: but he is not to furnish any under this sum.

[Not signed]

EXTENSION OF PERIOD FOR THE CIRCULATION OF CARD MONEY.

Ordinance of the King extending the circulation of card money in Canada until the departure of the last vessels for France in 1719, 12 July 1718.

His Majesty, deeming it necessary for the good and well-being of his subjects the people of Canada, to extend the term mentioned in the declaration of the 5th July, 1717, article 6,³ according to which the cards that serve as money in the said colony were no longer to circulate there in trade or in payments: His Majesty, on the advice of the Duke of Orleans, Regent, has ordered and hereby orders, that the cards which serve as money in the colony of Canada

¹ See the following document.

² See the proposal of the Council of 7th Decembre 1717, p. 431.

³ See p. 399.

may still circulate there during the present year and next year, 1719, until the departure of the last vessels for France, after which time they shall no longer circulate in the said colony and shall become of no value. His Majesty desires that there may be furnished by the agent in Canada of the Sr. Gaudion, Treasurer General of the Marine, bills of exchange to those who return him card money during the present year and before the departure of the last vessels for France, as is ordered by article 4 of the said declaration, His Majesty reserving the right to prescribe the period in which he will pay the bills of exchange to be given next year to those who return card money to the agent of the said Sr. Gaudion, before the departure of the last vessels for France. His Majesty commands and orders the Marquis de Vaudreuil, Governor and Lieutenant General in New France, the Sr. Bégon, Intendant, and all others his officers to whom it shall pertain, to keep and enforce the present ordinance, which shall be read, published and posted up wherever need shall be, and registered in the Superior Council of Quebec, and all others, his subjects, to conform to it, although it abrogates article 6 of the declaration of the 5th July of last year, 1717.

Done at Paris, etc. *Signed* LOUIS, and lower down: PHELYPEAUX.¹

REGISTRATION OF THE DECLARATION OF MARCH 21, 1718,
WHICH REDUCES THE CARD MONEY

Friday, 12th August, 1718.

The Council in Special Session.....

READ THE DECLARATION OF THE KING, given at Paris the 21st day of March last,² signed *Louis* and, lower down, "by the King, the Duke of Orleans, Regent, present, *Phelypeaux*," and sealed with the great seal in yellow wax, ordering that the card money may circulate in the colony of Canada for only the half of its value: and M. Paul Denys de St. Simon, Councillor, acting as King's Attorney-General, having been heard, the Council ordered and hereby orders that the said Declaration of the King of the 21st March last shall be registered in the registry office of the said Council, that the contents thereof may be kept and observed according to its form and tenor: according to which, debts contracted since the 30th September, one thousand seven hundred and fourteen, the day on which the agent of Sr. Gaudion, Treasurer General of the Marine, began to draw bills of exchange on him for the half of the value of the cards, until this day, shall be paid, according to the terms of the said Declaration of the King, in bills of exchange to be drawn for the value of the cards on the said Sr. Gaudion, for half the amount of their debts, provided there has been no special stipulation to pay in kind or in specified money other than the said cards. And the said Declaration shall be sent to the Provostship of this city as also to the Royal Jurisdictions of Three Rivers and Montreal, there also to be registered, read, published and posted up where need shall be, and to which the deputies of the King's Attorney General in the said jurisdictions shall certify to the Court in one month.

BÉGON

¹ See note 2, p. 403.

² See p. 433.

CONSEQUENCES OF THE DECLARATION OF MARCH 21, 1718

MESSRS DE VAUDREUIL AND BÉGON

4th October 1718.

Make an extract to be sent to the Duke of Orleans.

By the *Mutine* commanded by the Chevalier de Courey, which arrived at Quebec the 2nd of August, they received the despatch of the Council of the 30th March,¹ with the Declaration of the King of the 21st² of the same month, ordering that card money is to be current for only half the value written on the said cards, and that those who have contracted debts since 1714

may pay them by giving their creditors bills of exchange on M. Gaudion for half the amount of their debts, provided there has been no special stipulation to pay in kind or a specified money other than cards. This declaration was registered on the 12th August in the Superior Council of Quebec, which appointed the 30th September as the day on which bills of exchange on M. Gaudion for half the value of the cards returned to his agent began to be given. This declaration was sent to the Council immediately on M. Bégon receiving answer from M. de Vaudreuil who was then at Montreal.

It has not had the result which the Council had designed, which was that it might be registered before the *fermier* of the Domain of the West had received any of the revenues of the *ferme*, and thus, being paid after the reduction, he could discharge the sum total of unavoidable expenses on the same basis and by this means cause the complaints which were made last year to cease. This would have been done if it had arrived by the first ships.

The Sr. de Monseignat, receiver of the Domain, had on the arrival of the first ships, presented his request that the duties might be paid in cash or the double in card money: on this M. Bégon had ordered that the Captains should pay the said duties in card money on the basis of its full face value, according to the currency it had in trade, but that they should give security for payment in cards reduced to half, if it were so ordered by His Majesty. However, they stand discharged from their security by the last declaration, which orders that the reduction shall begin from the day of registration in the Superior Council. Thus, the duties paid this year in cards at their old value, up to the 12th August when the declaration was registered, amount to 15197¹¹ 1^s 7^d, money of France, and those paid in cards, at the reduction, since the said day up to the 2nd October, to 6626¹¹ 10^s.

The various reports from France, up to the present, about the payment of bills of exchange drawn on M. Gaudion leave the merchants in suspense. They do not know what course to take as to buying and selling goods, owing to the uncertainty they are in as to whether these bills are actually paid, although they have been continually assured that there was no room to doubt, since information has come of the general recoinage and of the high rate of the new coins.

¹ See p. 435.² See p. 433.

There have been drawn this year, up to the 4th October, bills of exchange on Sr. Gaudion to the amount of 4050^l.

.....

Done and decreed the 29th November, 1718.

IMPOSSIBILITY OF CARRYING OUT THE DECLARATION OF
JULY 5, 1717, REQUIRING THE COMPLETE SUPPRESSION
OF CARD MONEY.

COLONIES

Messrs de Vaudreuil and Bégon

Quebec, 24 October, 1718.

The King's ship not having yet arrived and the season being very much advanced, thus giving rise to a fear that it may not arrive this year, we find ourselves in this case unable to carry out the Declaration of the King of 5th July 1717, which orders the entire suppression of the cards. This is owing to the inconveniences that would occur, which are that we could not meet on the Treasurer General of the Marine the payments of expenses borne by the King's Establishment and those that must be incurred this year, for giving clothing both to the soldiers who are here and to those coming from Ile Royale. These latter are almost naked, and those who are here, having received only jackets last year, are also in need.

Besides these expenses, there are also those for the shipment of provisions provided and to be provided this year and next spring at Ile Royale, as we had the honour to submit to the Council by our letter of the 4th of this month,¹ forwarded by the *Mutine*, and the duplicate by the *Therese* of St. Malo, the 5th of the said month.

Moreover, the coined money that came here last year having almost all been returned to France, the colony would find itself without money, and one could not buy or sell or get any laborer to work, which would cause general confusion in trade and in the colony.

It is also to be noted that the default in payment of the bills of exchange drawn in 1716 and 1717 on M. Gaudion, is causing those who took them to suffer very much, and if one forced them to send in the rest of the card money they hold, for bills of exchange, that would be to take away from them all means of subsistence. The credit of these bills can only be re-established by information being received next year that those drawn were paid at their maturity.

These circumstances force us to take the resolution, if the King's ship does not arrive by the end of this month, to issue an ordinance² extending the circulation of the card money until we receive new orders from His Majesty. Meanwhile, Sr. Bégon will avail himself of all practicable methods for meeting the most indispensable expenses until the arrival of the King's ship the following year. We entreat the Council to despatch it as soon as can be done.

¹See preceding document.

²See following document.

We are sending this by the *Surprenant* of Bordeaux, Captain Douteau, and we shall have the honour of writing more fully to the Council by the last ships leaving here.

VAUDREUIL

BÉGON

EXTENSION OF THE PERIOD DURING WHICH CARD MONEY SHALL BE VALID

Ordinance of Messrs de Vaudreuil and Bégon which extends the currency of card money in Canada. 1st November, 1718

By the Declaration of the King, of 5th July, 1717, it is ordered that all card money, both of the old issues and that ordered by the said declaration, shall be returned to the agent of Sr. Gaudion in exchange for bills of exchange, and that, after the departure of the last vessels for France the present year, all that has not been returned shall be and remain of no value, and, in consequence, shall, after the said time, have no currency in trade or in payments; in which also His Majesty forbids the acceptance of it and forbids the agent of Sr. Gaudion to give any bills of exchange for its value, and declares that it becomes a total loss to those in whose hands it may be, without their being able to claim any recovery of any kind or in any manner whatsoever, in default of their having returned the said card money before the departure of the last vessels of the present year.

The reason for this declaration suppressing the card money was to substitute for it coined money, which shall have the same currency as in France, in order to render the trade of this country more stable than it has been for some time past. This was to be done by sending each year the money needed for the expenditures ordered by His Majesty, to be paid out by the agent of the Treasurers General of the Marine. But the King's ship on which these funds were embarked not having yet arrived and the advanced state of the season giving reason to think that it will not arrive this year, in which case the lack of money might cause serious inconvenience in trade, for which it is necessary to provide: We, subject to the good pleasure of the King, have extended and do extend the period granted by His Majesty for withdrawing the said card money, until it may have been otherwise ordered by His Majesty, in case the King's ship does not arrive this present year, in which case we order that the said money shall have currency on the basis of the Declaration of the King of the 25th March last,¹ and that it shall be received both in payments to be made and by the agent of Sr. Gaudion, Treasurer General of the Marine:

¹ See p. 433.

And the present ordinance shall be read, published and posted up wherever need shall be, so that no one may be ignorant of it.

We order, etc.,

Done at Quebec etc.

Signed: VAUDREUIL and BÉGON

And, lower down, By My Lord:

Signed: DE LESTAGE¹ and BARBEL²

URGENCY AS TO PAYMENT OF BILLS OF EXCHANGE GIVEN FOR CARD MONEY

I. REQUEST FOR PAYMENT

To be laid before My Lord, the Duke of Orleans.

Decision of H.R.H. Write to M. Law³ in order that he may take H.R.H.'s orders for arranging with Sr. Gaudion for the periods of the payments of these bills of exchange.

November, 1718.

The merchants who are holders of the bills of exchange drawn from Canada for card money, petition⁴ His Royal Highness that he may be pleased to order the payment of those due last March, and the acceptance of those payable March 1719 and 1720.

¹ Sr. Lestage was apparently a royal notary at Montreal. He had also been connected with the Company of the Colony. Later he was chiefly known as a rich merchant of Montreal, as when in April 1731 it was stated he would be readily accepted as bail for Lanoullier junior. When granted a fief in April 1734 he is described as a merchant of Montreal. That he still acted as a notary is evident from the fact that in April 1739 he represented Sr. Barret in the suit which he had brought against M. Lenormant, the Superior of the Seminary of Montreal.

² Sr. Barbel was a royal notary at Quebec and owner of a fief at Argenteay. Like Lestage he had been connected with the Company of the Colony and was employed by the widow of M. Petit to attempt to straighten out his accounts after his death. In 1730 he is still referred to as a Quebec notary who is complained of by a merchant as rather dilatory in the payment of his tradesmen's bills. In the spring of 1742 he was appointed by royal commission a writer or chief clerk in the Admiralty Office at Quebec. At the time of the Conquest he was referred to as chief scrivener or writer in Canada. In May 1760 he was destined for services in Martinique, but in September 1762 it is found that with numerous other officers from Canada he had been sent to the Bastille, from which, however, he was released after examination of his case and was to be given further employment as a test of his integrity. He was apparently employed for a time at LaRochelle and on the 17th April 1764, on instructions from the President of the Navy Board, he was sent to fill the position of Commissary Intendant of the Islands of St. Pierre and Miquelon. From thence he was recalled at the close of 1766.

³ This and the following document indicate the importance of Law and his bank in the financial system of France, and consequently the colony of New France. It is noted that the doubt which still lingers in the minds of the merchants as to the practical assurance of payment for the bills of exchange on Canada would be dissipated if only the bills were accepted by Mr. Law's *Banque Générale*, which on the 4th December, while these negotiations were pending, became the *Banque Royale* and completely identified with the Treasury (see note 2, p. 411).

⁴ The petition will be found in *Série B*, Vol. 40, fol. 199.

They represent that these bills of exchange were given for a currency on which they have lost half, and that the default in the payment of those due and in the acceptance of the others, is causing great confusion in their trade and putting them in a position where they cannot pay their creditors.

NOTE:—These merchants have made the request several times. They were promised that these bills would be paid and that acceptance would be given. On the 12th July, 1718, H.R.H. decided that these bills should be accepted by M. Gaudion, to be paid at their due dates for long term bills and in four months for those overdue.

This treasurer, who has judgments of the Commercial Judges against him on account of similar bills which he had accepted and for which funds were not sent to him in time, fears to accept them.

The period of four months prescribed by H.R.H. for the bills overdue, ends on the 12th of this month, and to pay them there will be necessary a sum of 119,898^l 14^s and an equal sum in March 1719 and 1720.

Done and decreed the 1st November, 1718.

II. DESIRABILITY OF PAYMENT

6th November, 1718.

TO M. LAW.

The Council of Marine having given to the Regent an account of the Memorandum hereto attached,¹ on the subject of bills of exchange due for cards retired in Canada in 1717, His Royal Highness has given orders to write to you about it so that you may accept his instructions for arranging with M. Gaudion for the periods of payments of these bills.

He wishes to point out to you that the merchants, holders of these bills, are suffering very much from their having been neither accepted nor paid: this they have represented on different occasions to H.R.H. and they are hoping now that by means of the measures you will adopt they will soon be paid.

III. REQUEST FOR ACCEPTANCE

To be laid before My Lord, the Duke of Orleans.

Decision of H.R.H. :—

Have a petition drawn up and presented by the merchants who are holders of the bills of exchange, to be laid before H.R.H. and send it to M. Law, His Royal Highness desiring that he accept his instructions for putting in

The merchants, holders of the bills of exchange drawn from Canada for card money, represent to His Royal Highness that the default in payment and acceptance of these bills is absolutely upsetting their trade, and they point out that they have been given to them for a currency on which they have lost half.

¹See *Série C*¹¹ I, Vol. 38.

force the plan proposed for the payment of bills of exchange drawn from Canada.

They will be able to make use of these bills if H.R.H. is good enough to have them accepted by M. Law, that is to say the bills of exchange to be paid on the 1st of March of next year 1719, and the others when due.

This acceptance would create a better impression among them than that

of the Treasurer of the Marine on whom they are drawn, seeing that if the latter accepted them, it would always be feared that he might not pay if funds had not been furnished him in time.

NOTE:—These bills amount to:—

Those due 1st March last	119,898 ^{ll} 14 ^s
Those due 1st March next, a similar sum of.....	119,898 ^{ll} 14 ^s
And those due 1st March, 1720, also a similar sum of	119,898 ^{ll} 14 ^s

Done and decreed, 13th December, 1718.

IV. INSTRUCTIONS AS TO ACCEPTANCE AND PAYMENT

18th December, 1718.

TO M. LAW

The Council of Marine sends you, Sir, a copy of the Memorandum forwarded to the Regent, by which the holders of the bills of exchange drawn from Canada on M. Gaudion for card money, ask that they be accepted by you. H.R.H. desires that you take his orders for putting into force the plan they propose for the payment of the said bills of exchange. When you have made your plans for this you will have, if you please, the goodness to let the Council know, so that it may have the holders of the said bills notified to take them to you to be accepted.

[Not signed]

V. CONSEQUENCES OF NON PAYMENT¹

To be laid before My Lord, the Duke of Orleans.

Decision of H.R.H.

Write to M. Law that H.R.H. desires him to accept the bills of exchange from Canada, to be paid when due and to take H.R.H.'s orders on that point.

The merchants, holders of bills of exchange drawn from Canada for card money, represent to H.R.H. that the default in payment and acceptance of these bills is absolutely upsetting their trade, and they point out that they have been given to them for a currency on which they have lost half.

¹ The wording of this and the following documents is very similar to that of the two preceding documents and indicates that the representations conveying the wishes of the Regent were not carried out by Law up to the 19th March.

They hope that H.R.H. will have M. Law accept these bills, that is to say, those due for payment on the first of March of this year, 1719, and the others when due, but the default in payment or acceptance is totally ruining them and preventing them from continuing the trade to Canada, since they find themselves pursued and pressed daily to pay the debts they have contracted in order to engage in

a trade from which they can derive no other form of payment than these bills of exchange: this is causing them to lose their credit completely and occasioning their total ruin.

Done and decreed the 31st January, 1719.

VI. GENERAL DIRECTIONS AS TO PAYMENT

19 March, 1719.

TO M. LAW

The Council of Marine has received, Sir, the account of the bills of exchange which were drawn last year for the card money which has been withdrawn from Canada amounting altogether to the sum of 130,374 livres, payable half in the present month of March and the other half in the month of March 1720. As nothing had yet been decided on as to the payment of this instalment, seeing that no statement for it had been received, the Council gave account of it to H.R.H. who wishes that you take his orders for the payment of the said bills. You will find hereto attached a copy of the statement the Council has received from Canada.

[Not signed.]

GOLD COINS TO BE REDUCED IN RATING

Decree of the King's Council of State, which orders a reduction in the rating of gold coins: 7th May, 1719

THE KING HAVING PRESENTED IN HIS COUNCIL the edict of the month of May, one thousand seven hundred and eighteen,¹ enacting that new gold and silver pieces should be made, and His Majesty being informed that it is suitable to the well-being of his realms and to the advantage of trade to reduce the price of the new gold coins, the report having been heard, the King being in his Council, with the advice of the Duke of Orleans, Regent, has ordered and hereby orders that commencing from the day of the publication of the present decree, louis d'or coined in accordance with the edict of the month of May of last year, one thousand seven hundred and eighteen, shall have currency in the extent of the Kingdom, regions, lands and seignories owing obedience to His Majesty, only for thirty five livres each, the halves and quarters in proportion. His Majesty prohibits all his subjects of whatever degree

¹ See note 1, p. 441.

or condition to offer or to receive in payment the said gold coins at a higher rating than that indicated by the present decree, which shall be enforced notwithstanding any opposition and any other hindrance whatsoever. And if anyone interfere therewith, His Majesty reserves to himself the cognizance of it and prohibits it to all his courts and to all his judges. His Majesty enjoins the officers of the Court of Monies and the Intendants and commissioners authorized to carry out his orders in the provinces and territorial divisions of the kingdom to see to the enforcement of the present decree, which shall be read, published and posted up everywhere where need shall be and concerning which all necessary instructions shall be expedited.

Done in the King's Council of State; His Majesty being present, held at Paris, the seventh day of May, the year of grace, one thousand seven hundred and nineteen.

Signed: PHELYPEAUX.

EXTENSION OF CURRENCY OF CARD MONEY APPROVED:
ITS SUPPRESSION TO FOLLOW

Memorandum of the King to the Marquis of Vaudreuil and M. Bégon

PARIS, 23 May, 1719.

.....

He has seen the ordinance they promulgated extending the currency of card money until further orders.¹ As it is a condition into which they have been forced, on account of the ship he sent last year with funds for the expenditures of the colony having been obliged, after two months at sea, to put into Rochefort, His Majesty quite willingly approves what they have done on this matter; but as these same funds, those of the present year and a portion of those necessary for the expenditure of next year, are to be taken to Quebec by the vessel he is sending this year and by which they will receive this despatch, His Majesty's purpose is that, as soon as these funds arrive, the Srs de Vaudreuil and Bégon may have the Declaration of the 5th July, 1717, carried out and that, consequently, the card money shall be wholly suppressed. They will give their attention to the carrying out of His Majesty's orders. He has had the bills of exchange drawn for card money paid, as also those due up to and comprised in the month of March of the present year. Those falling due next year and the following, will be regularly paid when due.

When the inhabitants of Canada receive the news, by the first merchant vessels leaving this year, of the payment of the bills of exchange due, there is good ground for believing that they will hasten to convert what card money they have into bills of exchange, and that by the time this despatch is received this will be well advanced. Thus Sr. Bégon will be in a position to send in return an account of all this money, by which His Majesty may know the exact surplus there has been. He recommends Sr. Bégon to exercise diligence and send this statement by the return voyage of the transport *Le Chameau*.

.....

[Not signed.]

¹ This was the ordinance of Vaudreuil and Bégon of the 1st November 1718, (see p. 451).

FURTHER ARRANGEMENTS IN REGARD TO THE WITHDRAWAL OF CARD MONEY

3rd June, 1719.

TO MESSRS DE VAUDREUIL AND BÉGON

The Council is sending you, Gentlemen, the duplicate of the King's statement of expenditures in Canada for the present year, amounting to the sum of 285,106¹¹ 15^s, towards which there were forwarded last year 87,402¹¹ 16^s 10^d on account, which you will receive only this year owing to the return of the *Elephant*. You will receive at the same time 108,116¹¹ 8^s 9^d, payment in full for the expenditures of 1718, 160,638¹¹ 9^s 2^d for those of the present year and 87,402¹¹ 16.10. towards the expenses of the year 1720. All these funds are forwarded in coined money and in pay warrants issued in France, to officers of the colony or to holders of powers of attorney, and 103,324¹¹ 16^s in addition, in stores and goods, according to your request, for 1718 and 1719. As it appears probable that, in order to meet in part the expenses of last year and this, you will have been obliged to make use of the cards taken to the agent of the Treasurer for bills of exchange, the Council's purpose is that, by means of the remission of these funds, you shall retire the said cards, and the officers and other private parties to whom they have been given shall be reimbursed, and that, subsequently, you shall send them to the agent who furnished them, and that they shall, at the same time, be burned in the customary way. The Council very particularly advises you to make this replacement in money only to those who have received cards for meeting the said expenses of 1718 and 1719.

The Council advises you to conserve the funds remaining in money, for the expenditures of 1720, and to economize them with the greatest of care.

You will see by the Statement of Expenditures for this year that there have been placed therein, according to your plan, 12376 livres for the wages and salaries of the employees in the offices and stores. The Council wishes that, for the following years, M. Bégon shall take care to detail the employees, name by name, in the plans forwarded, and that there shall be put in them absolutely only those who cannot be dispensed with.

With regard to the other increases you have asked, besides the fact that it has not judged them necessary, it is to be observed that the King not being in a position to increase expenditures, it is, on the contrary, necessary for you to give every care to reducing them as much as possible.

The Council has examined your statements as to the retention made at Rochefort, from the funds of the year 1716, of the sum of 12380 livres for special presents intended for the Indians. As the King had decided to make these presents for this time alone, independently of the funds ordered in the statement of His Majesty, the Council has given orders to M. de Beauharnois to rectify the error he made in making this retention.

You will find hereto attached the duplicate of the Statement of Canadian Charges payable by the Western Domain.

[Not signed.]

IMPOSSIBILITY OF CLOSING THE ACCOUNTS OF CARD
MONEY UNTIL ALL OF IT IS RETURNED

Colonies

Messrs de Vaudreuil and Bégon

QUEBEC, 26th October, 1719.

.....

They published an ordinance on the arrival of the *Chameau*, by which they ordered, in consequence of the Declaration of the 5th July, 1717, that card money should be returned to Sr. Petit, agent of M. Gaudion, in return for bills of exchange to be furnished by him, and that those [cards] that had not been turned in before the departure of the last vessel should become a total loss to those who had them. There is no room to doubt that they will all be returned before the departure of the last vessel, but as it [card money] will be current in the colony until the departure of the last vessel, and as it cannot be known until then what amount has been retired, it is impossible this year to send such a return of those cards as will show the bonus there will be on account of lost cards.

.....

[Signed] VAUDREUIL BÉGON

A PARTIAL STATEMENT OF EXPENSES

THERE WAS DUE by the Treasurers General of the Marine for card money given to their agents in New France, on the Budgets of 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, 1717 for the expenditures of the said country, the sum of 1,112,556 livres in this money, reduced by one l s. d.
half, equalling. 1,112,556

Bills of exchange have been drawn on M. Gaudion
by the said agent for. 1,067,759

There remains to be drawn. 44,797

For the gratuity it has pleased the King to give the
Company¹. 66,446 3. 4.

For the expenditures made from 1711 to 1714 both
for prisoners of war and for shipments made to Ile Royale,
amounting to 48528^l 17. 6: at one half equalling. 24,264 8. 9.

For the expenditures made on behalf of the vessels
Le François, *La Victoire* and *L'Astrée* in 1716 and 1717,
amounting to 2922^l 13^s. 6^d.; and at the half thereof. 1461. 6. 9.

For the shipments made to Ile Royale and to Roche-
fort in 1716, amounting to 9020^l 4^s. 6^d. and at the half
thereof. 4510. 2. 3.

For the purchase of provisions for the vessels,
Le François and the frigates *La Victoire* and *L'Astrée*,
amounting to 7446^l 11^s 1^d and at the half 3723. 5. 7.

¹ This is the Company of the Colony established in 1700, the debt of which to the King was finally cancelled in July 1717. (See p. 405, and note 1, p. 405.)

For the shipments made to Ile Royale and for the expenditure made for the five companies sent to that country in 1718 and 1719, the sum of 38791¹¹ 18^s. 6^d. paid in specie and in reduced card money, equalling 38,791. 18. 6.

For what remains to be paid of the 29,997¹¹ 2^s. 5^d. which were due to the King by different private parties on account of the insolvency of some, 4,812¹¹ 6^s. 3^d. of which the half equals. 2406. 3. 1.

For the sum of 10,339¹¹ 12^s. 2^d. paid during his lifetime to the late S. du Plessis,¹ agent of M. Gaudion, Treasurer General of the Marine, and agent of the Company of the Colony, on account of what the said Company owes to His Majesty, of which the heirs have not given account: they claim to have certain indulgences from His Majesty for the reasons given in the reply of the widow Dame du Plessis to the request made to her for payment of the said sum, on petition of the Controller of the Marine; the half thereof. 5169. 16. 1.

For the expenditure made in connection with the war against the Foxes in 1715 and 1716, according to the statement hereto attached, the sum 55126¹¹ 7^s; and for the half thereof. 27563. 3.

For M. Louvigny's expedition to Michilimakinac, the sum of 1250¹¹ in specie. 1250

The sum of 15,000 livres on account of the expenditures made and to be made from 1713 to the present, for masts and other wood. 15,000

For the expenditure made last year, on account of the clothing of the troops not having been sent, the sum of 20,000

For the loss incurred on provisions furnished to the troops during seven years, which amounts at most to half, for which extra amount no funds have been asked and none have been granted except those for the expenditures of 1710 and 1711. 50,000

305,383 4. 7.

Sr. Bégon will send next year, detailed and exact statements of all the above expenditures.

BÉGON

Done at Quebec the 10th November, 1719.

PROCEEDINGS OF VAUDREUIL AND BEGON RE WITHDRAWAL OF THE CARDS

Messrs de Vaudreuil and Begon: 14th November, 1719.

They will cause all the cards retired, both for the bills of exchange of the year 1718 and for those of 1719, to be burned, and they will render account of all the cards, in 1720, it being impossible for S^r Petit who cancels them all, to get them into the order necessary for burning and to draw up the official minutes

¹ See note 1, p. 89.

before the departure of the last ship, owing to the necessity he is under, by the terms of the King's Declaration of the 5th July, 1717,¹ to receive them and give bills of exchange up to the departure of the last ship.

In accordance with the Council's orders, they have made good in hard cash the payments made in card money, before the arrival of the funds of 1718 and 1719, to the officers, soldiers and others who were authorized to receive such, for the expenditures of these two years only.

They return the statement of bills of exchange drawn in 1719, for the extinction of the cards, amounting to 307,458 livres.

Note:—All these bills are payable in March, 1720; as M. Gaudion is responsible for their payment and as he is, to that end, in correspondence with M. Law and M. Couturier, it appears necessary to send him a copy of this statement, and to ask him how he stands both regarding the payment of these bills and of those drawn as possible. during the preceding years.

L B They will send, in 1720, a detailed statement which will
Lmd. set forth, precisely and exactly, the funds remaining to be appropriated for the remainder of the bills of exchange that have been drawn.

They will also send a general statement of all the card money, which will set forth the bonus there will be forthcoming from lost cards.

They will give all the attention the Council requires to economizing the funds remaining for the expenditures of 1720 and to making only those which are unavoidable.

They represent that the funds sent by the *Chameau* were in louis d'or and in écus and only 1,200 livres in pieces of ten sols, which will render all retail purchases of petty supplies very difficult, as also the payment of labourers and artisans: they beg that at least 50,000 livres of small change may be sent in *sols marqués*, pieces of five and of ten sols and quarter écus.

Good. Explain it to them. Note:—Orders are given to make the remittances of this year in pieces of thirty and of fifteen sols. There will also be sent 30,000 livres in copper sols.
L B Done and declared, April 19th, 1720.
Lmd.

L. A. DE BOURBON
MARSHALL D'ESTREES

By the Council
LACHAPPELLE.

SCARCITY OF SMALL COINS IN THE COLONIES

17 March, 1720.

To M. DE BEAUHARNOIS

The scarcity of small coins which exists in the colonies, Sir, has decided the Council to send some thither. To this end it has sent a statement to M. Law of the coins of 12 deniers which should be sent to each colony, amounting in all to one hundred and ten thousand livres.

¹ See p. 399.

He has replied that they are working at Rochelle at the minting of these coins, and that he has given orders to the Director of the Mint to employ them preferably for the service of the colonies. It is necessary that you put yourself in communication with the Director, to find out in what time he will be able to furnish them, and if you can have the amount of 5,000 livres for Cayenne before the departure of the frigate *Le Paon*. You will be careful to send this from the funds appropriated for that colony. With respect to the other portions, you will apprise the Council of what information you have from the Director of the Mint of La Rochelle on that subject.

COPY OF THE STATEMENT of coins of 12 deniers which
it is necessary to send to the colonies.

		March 17, 1720.
To Canada, to value of.....		40,000 livres
“ Ile Royale “		10,000
“ St. Domingo “		20,000
“ Martinique “		20,000
“ Guadeloupe “		10,000
“ Grenada “		5,000
“ Cayenne “		5,000
		110,000

Total of the coins of 12 deniers, to the amount of 110,000 livres.

PAYMENT OF BILLS OF EXCHANGE

I.

Paris April 24, 1720.

To M. GAUDION

The Council sends you a copy of the statement which it has received from Canada, respecting the abolition of the cards. From this you will perceive that bills of exchange were drawn upon you last year for the sum of 307,458 livres, which fell due last month. As you will have received a similar statement from your agent, the Council desires you to inform it as to what you have done to procure the funds necessary for the payment of these bills, and at the same time to indicate the amount which remains to be paid, as well of these as of those which have been drawn in preceding years, whether you have funds for the purpose and within what time they have been promised to you.

You know how important it is that all these bills should be met before the departure of the vessels, and the Council recommends you to take all necessary measures.

[Not signed]

II.

Paris June 5, 1720.

To MESSRS DE VAUDREUIL AND BÉGON

.....
The Council has approved of your not having made public the ordinance of the King of July 12, 1718, which extended the circulation of card money

until the departure of the last vessel of 1719. It became useless, since you did not receive it in time and by the one which you published in accordance with the declaration of His Majesty of July 5, 1717, all this money is to be cancelled after the departure of the last vessel.

It is confident that you have burned all the cards which have been withdrawn, and that you will send this year by the return of the King's ship the official minutes with the general account; therefore the Council recommends that you do not fail. You will perceive from the memoir of the King that all the bills of exchange which were drawn for the abolition of the cards have been paid with the exception of some which have not yet turned up, and that they are being paid regularly according as the bearers present them.

[Not signed]

EXPLANATION OF THE LATE CHANGES IN CURRENCY

[Paris] June 16, 1720.

IBID [To Messrs Vaudreuil and Begon]

The Council has sent you, Gentlemen, all the edicts and decrees concerning coins and bullion.¹ You will find herewith two new documents,² one indicating the reductions in the gold and silver coins, and the other ordering that the old louis and the gold bullion, which have been or may be taken to the mint, shall be converted into louis of the latest mintage. The first completes the reductions to August 1, next; thus the silver louis should circulate after that date at the rate of 40^s, the silver livres at 10^s; the one sixth of an écu at the same rate of 10^s and the twelfths in proportion, and as respects the louis, they shall be received at that time at 36 livres. The coins should always continue to have the same currency unless you receive orders to the contrary, and the treasurer should issue them at this rate.

¹See, in this connection, p. .

¹ This was while Law's "System" was in the process of crumbling away, while as Controller General of Finance he was making every attempt to sustain it. The metallic currency had been highly inflated in value to support as far as possible the bank notes. It was finally recognized that the paper could not be supported and declarations were issued reducing its value by one half and to restore the former ratings of the coins to which reference is here made. But such vigorous protests were raised that this action was hurriedly rescinded and within a few weeks of the despatch of this document dozens of new decrees had been issued in the last effort to sustain values. By the end of July silver specie had been raised to 120 livres to the mark, but chaos was in full tide and three successive decrees of September and October brought it back to 60 livres to the mark. The bewildering number of decrees regarding the currency, issued in 1720, rendered it quite hopeless for the rates in Canada to at all keep pace with those of France. The speculative conditions were also wanting in Canada, hence, though injury to trade was inevitable in the colony, it suffered mainly indirectly through the demoralization of trade and values in France.

² See, in this connection, p. 459.

NEW GOLD AND SILVER COINS TO BE MINTED

Edict of the King providing that there shall be minted new gold and silver coins. The month of September 1720

LOUIS, by the grace of God, King of France and of Navarre, to all present and to come, GREETING.

WE have pointed out to our subjects how they may usefully employ the large bank notes,¹ and we have also furnished them with outlets for those of one hundred livres, fifty livres and ten livres; but the notes of these last three denominations being distributed among a large number of persons, the greater part of whom have not sufficient of them to take advantage of these means of employing them, it has been proposed to us to supplement these means by a new employment for money, for which the gold and silver coins and bullion suitable for conversion or recoining shall be received at our mints, a half being added to the value of these small notes, which we are the more willingly induced to do, since, owing to the considerable quantity of the said coin and bullion that for some time has been coming from abroad, there is reason for hoping that this outlet may be very prompt.

For these causes and others moving us thereto, with the advice of our most dear and well-beloved uncle the Duke of Orleans, grandson of France, regent; of our most dear and well-beloved uncle the Duke of Chartres, first prince of the blood; of our most dear and well-beloved cousin the Duke of Bourbon, of our most dear and well-beloved cousin the Count of Charollois, of our most dear and well-beloved cousin the Prince of Conti, princes of the blood; of our most dear and well-beloved uncle the Count of Toulouse, legitimized prince, and other peers of France, great and notable personages of our realm, and of our certain knowledge, full power and royal authority, we have by our present edict declared, enacted and ordained, and we hereby declare, enact and ordain, we will and it is our pleasure, as follows:

Article I. There shall no longer be coined in our mints any gold or silver coins, except those which bear the imprints appearing in the attached schedule under the counterseal of our present edict, namely, *louis d'or* of the standard of 22 carats, with a remedy of ten thirty-seconds, of the tallage of twenty five to the mark, twelve grains remedy, the halves in proportion; *louis d'argent* or the third of an *écu* of the standard of eleven deniers, with a remedy of three grains, of a tallage of thirty to the mark, with a remedy of half a coin, halves and quarters in proportion, with the reserve of a remedy of weight which may

¹ Various plans were devised for reducing the prodigious number of notes of the *Banque Royale* in circulation. The original issue authorized was two hundred millions, which was supposed to be equivalent to the amount of specie in circulation, but this was afterwards far transcended without any adequate authority. During 1719, by various subterfuges such as returning to circulation notes claimed to have been burned, the amount in circulation was increased to two thousand seven hundred millions, some maintained to three billions. It was impossible to determine exactly what the total issue had been. During 1720 many schemes were employed both to maintain the note values and to withdraw large quantities from circulation. One of the chief methods and evidently that referred to in this document, was the creation of thirty seven millions of *rentes* in the alternative forms of permanent government debentures or bonds at two per cent., or life annuities at four per cent., these being secured by the general receipts of the Hotel de Ville of Paris.

be of one coin per mark for the halves and of two and a half coins for the quarters.¹

II. Such coins shall be milled on the edges and shall be current throughout our realm, and the countries, lands and seigniories under our jurisdiction, on the basis of fifty-four livres for the louis d'or, the halves in proportion, and of sixty sols for the *louis d'argent*, the halves and quarters in proportion.

III. The workmanship of the said coining shall be passed upon in our Court of Moneys in accordance with Article IV. of our edict of the month of December, 1719.

IV. We will and it is our pleasure that all the old gold and silver coins, other than those which may be specified in the following article, shall, as well as the foreign coins, the silver livres and the tenths of écus be conveyed to our mints immediately after October 15 next, in order that they may be melted and converted into coins of the forms ordered by the present edict.

V. We will likewise that the louis d'or and the half louis d'or of 25 to the mark, minted in consequence of the edict of the month of May, 1718, the écus of 10 to the mark of the same mintage, as also the halves, quarters, sixths and twelfths of the said écus, even the thirds of an écu or *louis d'argent*, shall be conveyed to our mints immediately after the said October 15 next, to be restamped or recoined with the same die as that of the new coinage ordered by the present edict, and shall be current, namely, the louis and the half louis d'or on the same basis as those of this mintage, and the écus of ten to the mark for nine livres, the halves, thirds, quarters, sixths, and twelfths, in proportion, which restamped coins shall be marked with a distinguishing feature, which shall be prescribed by the officers of our Court of Moneys.

VI. We desire it to be understood that the reductions mentioned in the gold and silver coins and bullion, to take place on the first and sixteenth of October next, shall be carried into effect among the public in accordance with

¹ The French principles of coinage during the 18th century were based on certain standards which were practically those of England and Holland also, as well as of some other countries. The highest standard of the fineness of gold for purposes of coinage was divided into twenty four degrees, known as *carats*. The highest degree of fineness was therefore 24 carats. Each of these degrees or carats was again divided into thirty two parts, each of which was named a *thirty-second*. Thus a coin of 24 carats fine contained seven hundred and sixty eight thirty-seconds, and one of 22 carats contained seven hundred and four thirty-seconds. The corresponding highest standard of fineness in silver coins was divided into twelve degrees known as *deniers*. Each *denier* was divided into twenty four degrees which were called *grains*. Thus twelve *deniers* contained two hundred and eighty eight grains. The thirty-seconds of gold thus stand to the grains of silver as eight to three, and this establishes the relative fineness or standard (*titre*) which they should bear to each other. Thus whatever the ratio of fineness adopted in one metal the corresponding ratio in the other metal should be as eight to three. Hence gold coins of 22 *carats* should be equivalent to silver coins of 11 *deniers*. The "remedy" of ten thirty-seconds, here referred to, means that a coin which did not vary from the ideal standard of fineness, of seven hundred and four thirty-seconds by more than ten thirty-seconds, above or below that rate, would be considered a standard coin eligible to pass from the mint. The "tallage" refers to the weight of the coins, and is determined by the number of coins which are struck from the mark weight of bullion. The French mark was equivalent to about 3.777½ grains troy weight. The terms as applied to the silver coins follow the same principles. The twelve grains of "remedy" allowed, meant that twelve grains of variation, above or below, on the exact weight of the twenty five coins to the mark, would be allowed in passing from the mint. It will be noted that in both cases the term "remedy" is used in two connections; the one of thirty-seconds and grains applying to the permitted variation of fineness in the metal, the other referring to current coins, being the permitted variation in weight per mark of the metal.

the decree of our Council of July 30 last,¹ and that the said coins and bullion which may be taken to our mints from the said day of October 16 until the 1st December next, to be converted or restamped in consequence of our present edict, shall be received by the officers of the said mints, as well as by the money-changers at the following rates: the louis d'or of 25 to the mark, for 36 livres each, the halves in proportion, the écus of ten to the mark for six livres each, the halves, thirds, quarters, sixths, and twelfths in proportion, and all the other coins and bullion according to weight, in the proportion of 900 livres to the mark of louis of twenty-two carats, and of 60 livres to the mark of écus and of silver of the standard of eleven deniers fine, and that, on the adding by our subjects of a half over and above the product of their coin and bullion, in bank notes of ten livres, fifty livres and one hundred livres, the total may be furnished to them in cash in the new coins, at the rate of 90 livres the silver mark and the gold in proportion.

VII. We desire that, commencing from the first of December next, the old coins shall be entirely withdrawn from circulation, and neither offered nor exchanged in trade at any price whatever, on pain of confiscation and of a fine of 3000 livres against every offender, which shall be applied to the benefit of the informers.

VIII. We order that, after the said first day of December, such of the said coins as are found in the possession of private individuals, communities, and generally of all sorts of persons whatever their quality or condition, even if these coins be among the furniture or effects of estates under seizure or of persons who are deceased, shall be and remain confiscated to our benefit and taken to our mints to be converted into new coins. This penalty or those preceding cannot be taken to be merely comminatory, nor is the restoration of the said coins to be granted on any consideration whatever.

IX. We enjoin the officers who may have made the seizures, or who have applied or taken off the seals, or drawn up the inventories, to give notice to the attorneys-general in our Courts of Moneys or to their deputies in the provinces, of the said old coins which may have been found, on pain of suspension from their functions, and furthermore of being condemned, in their own private capacity, to pay the value of the said coins which shall have been concealed, and to a fine which shall not be less than quadruple, the said penalties not to be taken merely as comminatory.

X. We will that, in case of denunciation of private individuals, communities or officers contravening this decree, half of the said confiscation and fine shall be paid to the informers by the directors of our mints immediately upon their receiving the funds, and this on certificates alone, which shall be for this purpose presented by the attorneys general of our Court of Moneys, or by their deputies in the provinces, who shall have received the said denunciation, without its being necessary to designate the informers by name, or for them to give other receipts than the said certificates, in virtue of which the half which shall have been paid to bearers of the same, shall be passed and allowed in the expenses of the accounts of the said directors and any others, without question.

¹ This was the decree which raised the value of the silver coins to 120 livres to the mark, from their previous rating of 67¹/₂ 10^s. Then, during September and up to October 16th, they were again lowered to 60 livres to the mark. After this they were again raised by this section of the edict to 90 livres to the mark, when paying one-third in bank notes and two-thirds in the coins called in.

XI. It is to be understood that the decree of our Council of March 21, 1716,¹ shall be executed according to its form and tenor, and that, as a consequence, the custodians of the old gold and silver coins of France or foreign countries shall be obliged to take them to the mints within the above-mentioned time, after which and commencing on the said day of first December, those which are found in their hands or among their effects shall be and remain confiscated to our profit, saving the recourse of the said owners or creditors against the said custodians, as well for the principal of the said coins as for the reductions in rate, notwithstanding all the indemnities which they may have from the said owners on the subject, which indemnities made or to be made, we expressly annul by the present edict.

XII. We forbid all persons, on pain of death, to counterfeit our coins or to assist in the circulation of those which have been counterfeited, or to introduce into our realm any of the new design, when they shall have been coined in our mints.²

XIII. We will that the declarations, decrees and regulations concerning the transportation of gold or silver coins and bullion shall be executed according to their form and tenor, and, as a consequence, we very expressly prohibit and forbid all our subjects or foreigners who may be in our realm to transport out of it, without our permission in writing, any of the said gold or silver coins and bullion, on pain of death, of 6000 livres fine and of confiscation as well of the said coins or bullion as of the merchandise within which they may be secreted, together with the vessels, horses, vehicles, mules and other equipages employed in their transportation; the said confiscations and fines to be applied as follows: one quarter to our benefit, another quarter to the nearest hospitals, and the remaining half to the informers and to those who shall have arrested the offenders, the penalty of death not to be remitted by our judges to whom the cognizance of the cases belongs, on pain of their being excluded forever from all judicial offices.³

XIV. We permit our subjects and foreigners departing from our realm to take with them only such quantity of coin, minted or restamped in virtue of our present edict, as is necessary for their subsistence and that of their servants and equipage.

XV. We forbid all goldsmiths, jewellers and other artificers in gold or silver, to deface any money coins for the purpose of employing them in their products, on pain of the galleys for life; as also to buy or sell gold or silver bullion at a higher rate than what would be paid for it at our mints, on pain of confiscation and of a fine at discretion which must not be less than the value of the confiscated money.

XVI. It is to be understood that the fees of the directors of our mints as well as those of the money changers and weighers are to be allowed in the

¹ This has reference to the special efforts made to enforce the calling in of the old coins, when a general recoinage was ordered by the decree of 15th December, 1715.

² See note 1, p. 419, for the practice, referred to in this and the following section, of exporting the old French coins to be restamped or recoined in foreign mints, in order to secure the profits intended for itself by the French Government.

³ The French law with reference to the nature and execution of the penalties appointed for the infringements of the edicts regarding the coinage was long noted as the most drastic in Europe; yet no laws were more systematically infringed by expert operators.

accounts of the management of the said mints for the coinage ordered by the present edict on the basis fixed by the decree of our Council of January 19, 1715; also those for the livres and *louis d'argent* formerly minted, and that the fees of all the officers of our mints may be passed for the alteration of the coinage on the basis of double of what they enjoyed for the preceding.

XVII. We order that the bank-notes, which are taken to our mints shall be defaced and afterwards burned at the city hall in Paris by commissioners whom we shall appoint for the purpose.

We give it in command to our loving and faithful councillors, the persons holding our Courts of Moneys, that they shall cause the present edict to be read, published and registered, and the contents of the same to be kept and executed according to its form and tenor, notwithstanding all other edicts, declarations and other things to the contrary, which we have annulled and do annul by this present edict; for such is our pleasure. And in order that this may be a thing firmly established, we have caused our seal to be affixed thereto.

Given in Paris in the month of September, in the year of grace one thousand seven hundred and twenty, and of our reign, the sixteenth.

Signed: LOUIS

Underneath, By the King, the Duke of Orleans, regent, present.

Signed: PHELYPEAUX

Visa, DAGUESSEAU¹; considered in Council, LE PELLETIER,² and sealed with the great seal of green wax, and underneath is written:

Registered in the Court of Moneys the King's attorney general being heard and demanding that it be executed according to its form and tenor according to the decree of this day; done in the Court of Moneys in the assembled court, the thirtieth day of September, one thousand seven hundred and twenty.

Signed: GEUDRE

And further down is also written: For the King. Collated from the original, by us, esquire, councillor, secretary of the King, of his house, the crown of France and of his finances.

Signed: CORNETTE

¹ See note 1, p. 191.

² Félix Le Pelletier de la Houssaie was a member of a very notable family, intimately associated with the financial history of France. The first member of note succeeded Colbert as Controller General of Finance, in 1683. Félix was one of two representatives of the family originally appointed by the Regent members of the Council of Finance, in 1715. He had been an Intendant of Finance and Councillor of State before being appointed, in December 1720, Controller General in succession to Law. He faced the difficult task of restoring financial order from the chaos left by Law, and succeeded to a remarkable degree. His first object was to reduce the national debt, enormously inflated by the issue of so much paper money. The public funds were again brought under registration, and in the process were reduced to nearly half their nominal value, with interest allowed on them at two and a half per cent. Thus did Law's System eventually benefit the King and government, in permitting a reduction of the very heavy national debt at the close of the late reign. As regards the great war profits which had been made by private individuals, the re-establishment of the *visa* secured a revision of the gains of the *nouveaux riches*, which were materially reduced. Pelletier resigned his post in 1722, and died 20th September of the following year.

Registered, the King's attorney general being heard and for this suing, in accordance with the decree of the Superior Council of this day, by me, registrar clerk of the said council, this twenty-third September one thousand seven hundred and twenty-one.

Signed: BARBEL.

RATING OF GOLD AND SILVER COINS TO BE DECREASED

Decree of the King's Council of State for raising the value of coins and to reduce the price of commodities. October 24, 1720

THE KING, having caused to be submitted to him in his council, his edict of the month of September last,¹ by which His Majesty fixed the rate of the new silver coins on the basis of 90 livres to the mark, and of those of gold in proportion; and His Majesty desiring to render money more effective for the advantage of trade and the lowering of the price of commodities, the report having been read, His Majesty being in his Council, with the advice of the Duke of Orleans, regent, has ordered and hereby orders:

Article I. That the new gold and silver coins, minted in consequence of the edict of the month of September last, shall circulate publicly until the first of December next on the basis stated in the said edict, viz:—the louis d'or for fifty-four livres, the halves in proportion; the écus for nine livres, the halves, thirds, quarters, sixths, and twelfths in proportion; that the old coins shall continue to be received in trade until the first day of December, at the rates at which they now circulate, and that the coins and bullion, both for restamping and for coining, shall be received in the mints commencing from the publication of the present decree, at the following rates, viz:—those of forty six livres sixteen sols to the louis to be restamped at twenty-five to the mark, the halves in proportion; those of seven livres sixteen sols to the écu at ten to the mark, halves, thirds, quarters, sixths and twelfths in proportion; those of eleven hundred and seventy livres to the mark for the old louis as also gold of the standard of twenty-two carats; and those of seventy-eight livres to the mark for old écus as also silver of the standard of eleven deniers.

II. That, on the said day of the first of December, the said coins of the new mintage and stamping shall no longer be current for more than forty-five livres for the louis, and seven livres ten sols for the écu, the old coins for thirty-six livres for the louis of twenty-five to the mark, forty-five livres for that of twenty to the mark, and thirty livres for that of thirty to the mark, twenty-four livres twelve sols for that of thirty-six livres and a quarter to the mark, six livres for the écu of ten to the mark; seven livres ten sols for the écu of eight to the mark, six livres twelve sols for that of nine to the mark, and the silver livre for twenty sols, the halves and other reductions of the said coins in proportion; and that this shall take place, while the restamped coins are paid out in the mints commencing on the said day of the first of December next, at the rates of thirty-seven livres sixteen sols for the louis of twenty-five to the mark, and of six livres six sols for the écu of ten to the mark, and bullion in the proportion of nine hundred and forty-five livres to the mark for old louis to be recoined, or of gold of the standard of twenty-two carats, and of sixty-three livres to the mark for the old écus to be recoined, or of silver of

¹See the preceding document.

the standard of eleven deniers; and this shall obtain until the first day of January of next year, one thousand seven hundred and twenty one.

III. It is His Majesty's will that, commencing from the said day of January first, the new coins shall be reduced to thirty six livres for the louis, and to six livres for the écu, as also that the old coins shall be reduced in circulation to twenty-seven livres for the louis of twenty-five to the mark; thirty livres fifteen sols for that of twenty to the mark, twenty-two livres seventeen sols for that of thirty to the mark, eighteen livres nine sols for that of thirty six and a quarter to the mark, of four livres ten sols for the écu of ten to the mark, five livres twelve sols for that of eight to the mark, five livres for that of nine to the mark, and of fifteen sols for the silver livre; and, nevertheless, that the coins to be restamped shall be issued from the mints, commencing on the said day of January first, next, at the rate of twenty-eight livres sixteen sols for the louis of twenty-five to the mark, and of four livres sixteen sols for the écu of ten to the mark; and that bullion shall be coined in the proportion of seven hundred and twenty livres to the mark of old louis or of gold of twenty-two carats, and of forty eight livres to the mark of old écus or of silver of eleven deniers. His Majesty enjoins the officers of his Courts of Money and the intendants and commissaries located throughout the provinces and generalities of the realm to give their attention to the execution of the present decree, which shall be read, published and posted up wherever necessary.

Done in the King's Council of State, His Majesty being present, held in Paris on the twenty-fourth of October, one thousand seven hundred and twenty.

Signed: PHELYPEAUX

Registered, the King's attorney general being heard and demanding it, in accordance with the decree of the Superior Council of this day, by me, registrar, clerk of the said council, this twenty-third of September, one thousand seven hundred and twenty-one.

Signed: BARBEL

STATEMENTS SUBMITTED AS TO DISPOSAL OF THE CARDS

QUEBEC, Oct. 26, 1720.

.....
 S^r Bégon has the honour to send to the Council statements of all the card money which M. de Vaudreuil and he have caused to be burned since his arrival in Canada, with a recapitulation which shows the amount and of what issue.¹

He attaches to these statements an abridged summary of all the official minutes of cards burned which exactly conforms to the above, and, included in this summary, seven official minutes of all the cards which have been burned since the departure of the last vessels.

He sends also a balance sheet of the cards issued by M. de Vaudreuil and himself, and those which have been withdrawn and burned, by which it appears

¹See *Série C*¹¹ VI: Vol. 8, p. 298.

that there have been lost, cards amounting to 18,625 livres 10^s, money of the country, equal to 13,969¹¹ 2^s 6^d, money of France.

He is not in a position to state the cards of the older issues which have been lost, nor to settle with the agent of the Treasurers as to the cards delivered to them for the expenses of each official year, because the Treasurers General have not inspected and returned to their agents the chief clerks' accounts for the years 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, and 1717, which are necessary to make known the cards furnished to them and those owing either by them or by the agents they have in this country, for each of these official years.

He begs the Council to give orders to the Treasurers General to inspect and return them to their agents by the first vessels, so that S^r Bégon may be in a position to prepare this account and send it.

[Signed] VAUDREUIL BÉGON.

LOSS ON COINS SENT TO CANADA OWING TO CHANGES IN RATING

Council

Messrs de Vaudreuil and Bégon October 26, 1720

They send the official minute of the reduction which has taken place in the coins brought over by the King's vessel *Le Chameau* for the expenditure of 1720, in conformity with the decree of June 10¹ of last year, which, on August 1, reduced to 40^s each the *louis d'argent* which had been shipped on the basis of 55^s, which loss amounts to the sum of 17,952 livres 15^s; they beg that it may be made good to M. Champigny,² in order to be remitted by him to the colony.*

NOTE: As they have not been able to obtain information as to the decree of July 30, 1720,³ which raised the *louis d'argent* to 4 livres, and of those which have been issued since relating to the currency, they have been unable to avoid the reduction effected by the decree of June 10.

Done and decided March 24, 1721.

L. A. DE BOURBON
By the Council
DE LA CHAPELLE.

**In the margin, in pencil*: This reduction is to be borne by the King. A note to this effect to be given to M. Argoud.

L.A.B.

¹ One of the numerous decrees issued at this time altering the rating of the coinage. (See note 1, p. 473.)

² Jean Bochart, seigneur de Champigny, etc. had been Intendant in Canada from 1686 to 1702. (See note 1, p. 81.) On his return to France he was appointed Intendant of Marine at Havre. In that capacity he continued to have considerable connection with Canadian affairs, until the time of his death, 27th Sept. 1720. Naturally the Canadian officials were not aware of his death when this despatch was written.

³ Another instance of the confusion created in Canadian finance by the numerous changes in the official ratings of the coins in France. (See note 1, p. 473.)

REDUCTIONS IN RATINGS OF COINS APPOINTED FOR
JANUARY 1ST TO BE INDEFINITELY POSTPONED

Decree of the King's Council of State postponing, until further orders, the reductions in the coinage, old as well as new, announced for the first of January. December 26, 1720.

The King having caused to be laid before him in his council the decree issued therein on October 24 last,¹ by which His Majesty ordered a reduction on and from the first of January next, in the rate of the gold and silver coins, old as well as new, as also the decree of November 24 last, which announced a reduction on and from the same day, the first of January, in the coins of copper and baser metal; and His Majesty being informed that it is necessary to postpone the said reductions, and to continue as receivable from those owing taxes and other debtors to the King's treasury, the old coins at the same rates as they are at present receivable in the fiscal bureau of the King, in accordance with the decrees of the 8th and 18th of the said month of November, desiring to provide for which, and the report of S^r Le Pelletier de la Houssaye, regular councillor of state, and of the council of regency for finance, Controller General of Finance, having been heard, the King being in his council, with the advice of the Duke of Orleans, regent, has ordered and hereby orders that none of the reductions provided for by the decrees of October 24 and November 24 last, in the current coins, as also in the old coins and gold and silver bullion, shall be made on the first of January next, but only from the day of the publication of the decree which His Majesty may be pleased shortly to render on this subject. His Majesty wills that, commencing on the first day of February of the year one thousand seven hundred and twenty-one the old coins shall cease to circulate in trade or even to be taken in payment of duties or taxes of the King, and that they shall be liable to confiscation by the edict of the month of September last,² in all cases therein mentioned. His Majesty enjoins his officers of his Courts of Moneys and the intendants and commissaries located throughout the provinces and generalities of the realm to give their attention to the execution of the present decree, which shall be read, published, registered and posted up wherever necessary, and for the execution of which all requisite instructions shall be sent.

Done in the King's Council of State, His Majesty being present, held at Paris, the twenty-sixth day of December one thousand seven hundred and twenty.

Signed: PHELYPEAUX

Registered, and heard, on the request of the King's attorney general, in accordance with the decree of the Superior Council, of this day, by me the clerk of the said council, this September 23.

Signed: BARBEL.

¹ Given at p. 485.

² Given at p. 475.

HISTORY OF MONEY IN CANADA

FOURTH LETTER

Quebec, February 15th, 1721.

Madam:—

.....
 Forced to finish this letter, I have only time to deal with that which relates to trade in general.

Nothing perhaps has contributed more to make it languish than the frequent changes that have been made in the coinage. This is the history of it in a few words. In 1670, the Company of the West Indies, to which the King had ceded the Lordship of the Islands of the French American continent, had permission to send to the Islands up to one hundred thousand francs in small coins, stamped with a special die, with an appropriate legend. The edict of the King was [issued] in the month of February¹ and it declared that these coins should be current only in the Islands. But, certain difficulties arising, the Council, on the 18th November of the year 1672,² rendered a decree, by which it was ordered that the above mentioned coinage and all the other small coins which were current in France, should also be current not only in the French Islands but in the American mainland owing allegiance to the Crown, at an increase in rating of one quarter; that is to say, coins of fifteen sols for twenty and the others in proportion. The same decree ordered that all contracts, notes, accounts, purchases and payments should be made between all classes of persons on the basis of money, without it being longer permitted to make exchanges or accounts in sugar or other commodities, on pain of nullifying the transactions. And as regards the past, it was ordained that all stipulations in contracts, notes, debts, rents, leases, in sugar or other commodities, should be converted and rendered payable in money, according to the rates of the currency above mentioned. In execution of this decree, money increased in rating by a quarter in New France, which in a very short time caused many difficulties. Indeed, M. de Champigny Noroy, who was appointed Intendant of Quebec in 1684 and who is today Intendant of Havre de Grace, soon found himself embarrassed, both for the payment of the troops and for the other expenditures that the King made in that colony.

Beyond this, the funds sent from France almost always arrived too late, and from the first of January it was necessary to pay the officials and soldiers and meet other charges equally unavoidable. To meet the most pressing, M. de Champigny decided to give circulation to certain notes which were to take the place of money, at the same time always having regard to the increased rating of the currency. An official minute of this issue was drawn up, and in virtue of an ordinance of the Governor-General and the Intendant, on each piece of this currency, which was of card, was put its value, the Treasurer's signature, a stamp of the Arms of France, and, in Spanish wax, those of the Governor and of the Intendant. They next had them printed in France on cards with the same designs as those of the circulating currency of the Kingdom, and it was ordered that they should be returned every year before the arrival of the ships from France, in order that a stamp might be added, so as to prevent the introduction of counterfeits.

This form of card money did not last very long and they fell back on the cards on which new designs were engraved. The Intendant signed those of

¹ See p. 25.² See p. 37.

four livres and upward, and contented himself with paraphing the others. Later on, the Governor General also signed those which were of six livres and up. Early in Autumn, all the cards were returned to the Treasurer who gave their equivalent in bills of exchange on the Treasurer General of the Marine, or on his agent at Rochefort, debited to the expenditures of the year following. Those that were worn were not returned to circulation, and they were burned after an official minute had been drawn up.

As long as the bills of exchange were faithfully paid, these cards were preferred to hard cash; from the period at which they ceased so to be, people discontinued bringing them in to the Treasurer, so that in 1702, M. de Champigny endeavored in vain to retire all those he had issued. His successors were every year obliged to issue new ones in order to pay current expenses, which multiplied them to such an extent that they at last fell into discredit and no one wished to accept them. Trade was completely upset by this and confusion extended to such a length that in 1713, the inhabitants proposed to lose half, on condition that the King should withdraw them and pay the other half.

This proposition was agreed to the following year, but the orders given in consequence were not fully carried out until 1717. There was then published a declaration which abolished the card money and they again began to pay the current expenses of the colony in coined money. The increased rating of one quarter was abolished at the same time, experience having shown that increasing the rating of coins in a colony does not make them remain there, which was what had been claimed, and that money can properly circulate there only when exchange in supplies is made for all that is drawn from the Kingdom. Indeed, in this case, the colony retains the coins; on the other hand, if it has not sufficient produce to pay *in toto* it is forced to pay the surplus in money: and how will that come back?

Finally, Madam, you will be surprised to learn that in 1706 the trade of the oldest of our colonies went on, on a fund of only 650,000 livres¹, and things have not changed much since then. Now this sum spread among thirty thousand inhabitants can not make them comfortable or give them the means of buying commodities from France. Moreover the majority go quite naked, especially those in rather remote settlements. They do not even sell all the surplus of their provisions to the dwellers in the towns, hence these latter are obliged, in order to exist, to have pieces of land in the country and to work them themselves.

After the King had withdrawn Canada from the hands of the companies, His Majesty expended there, for some years, much more than he has done since, and the colony in that period sent to France each year beaver to the value of nearly a million, although it was not so populous as it is today: but it has always drawn more from France than it has been able to pay for and it has acted just as a private individual who has thirty thousand livres income and who spends forty thousand livres and more. Owing to that, its credit has fallen and in falling has caused the ruin of its trade, which, from the year 1706, was carried on on hardly more than the minor peltries. All the merchants were anxious to have them and that is what ruined them, for they often bought them dearer from the Indians than they sold them in France.

¹ Author's Note: See the second volume of the History, p. 390.

REDUCTION IN THE RATING OF COPPER COINS

Decree of the King's Council of State, providing for a reduction in value of copper coins, April 30, 1721

The King having caused to be re-submitted to him in his council the decree rendered therein on the eighth of last February, by which His Majesty reduced the rate of the minor copper coins in the province of Alsace only, His Majesty, being informed that it is necessary to make a similar reduction in the said coins in the other provinces of the Kingdom, desiring to provide for which, having heard the report of S^r Le Pelletier de la Houssaye, regular councillor of state and of the council of regency for finance, Controller General of Finances, His Majesty, being in his council, with the advice of the Duke of Orleans, regent, has ordered and hereby orders that, commencing from the day of the publication of the present decree, the said coins shall be reduced throughout the whole Kingdom to the rates hereafter mentioned, viz:—the copper sols to eighteen deniers instead of twenty deniers, the halves and quarters of the said sols in proportion; the coins called six deniers to nine deniers instead of ten, and the French liards to four deniers and a half, instead of five; on which basis the said coins shall continue to be current, until otherwise ordered by His Majesty, who enjoins the officers of the Court of Money and the intendants and commissaries located throughout the provinces and generalities of the Kingdom to give their attention to the execution of the present decree, which shall be read, published and posted up wherever necessary, and respecting which all necessary instructions are to be sent.

Done in the King's council of state, His Majesty being present, held at Paris the thirtieth day of April, one thousand seven hundred and twenty-one.

Signed: PHELYPEAUX

Registered and read on the request of the King's attorney general, in accordance with the decree of the Superior Council of this day, by me, clerk of the said council, this September twenty-third, one thousand seven hundred and twenty-one.

Signed: BARBEL

EXPLANATION REQUIRED AS TO CERTAIN SUMS OF CARD MONEY MISSING

Paris, June 14, 1721.

To M. BÉGON.

M. Gaudion has delivered to the Council, Sir, a copy of a balance sheet, which was sent to him from Quebec, containing the bills of exchange which were drawn upon him from September 30, 1714, until the end of October, 1719, for the withdrawal of the card money, and the disbursement which has been made of them in the budgets of the Treasurers, since and comprising the years between 1709 and 1717, inclusive.

According to this balance sheet, of which you will find a copy herewith, there have been drawn bills of exchange to the amount of 1,374,600 livres, which would provide 2,749,200 livres of card money. The disbursement which has been made of these amounts during the several years gives a total

of only 2,225,113^l 10^s 11^d, to which the sum of 132,000 livres being added for the cards due by the Company of the Colony, and of which the King has made it a gift, there is a total of 2,357,113^l 10^s 11^d, in card money and, when reduced to bills of exchange, of 1,178,556^l 15^s 5^d, which sum being deducted from that of 1,374,600^l, leaves a shortage of 196,043^l 4^s 7^d, which amounts in card money to 392,086^l 9^s 2^d.

It appears from the balance sheet that this sum arises from two sources: the first of 77,583^l 17^s for expenses at Ile Royale, making in reduced cards 38,791^l 18^s 6^d, and the second of 314,502^l 12^s 2^d, making in reduced cards 157,251^l 6^s 1^d from funds of which M. Gaudion's agent states that he has no knowledge. The Treasurer has applied to the Council for discharges as regards these two items.

The Council has two observations to make on this: first, that the expenses of Ile Royale, having been incurred in cards for which bills of exchange had been drawn upon M. Gaudion, you should not have applied for its replacement in 1719, or, at least, have applied for it merely to keep the account straight, and you should have informed the Council of the truth of the matter on this point, which would have avoided the replacement of this expense which was made to you last year, since the fund is in Canada in the shape of bills of exchange drawn upon M. de Selle. You should reimburse it to M. Gaudion, and this is a matter to which you must not fail to give attention.

The second concerns the 314,502^l 12^s 2^d card money, amounting in reduced cards to 157,251^l 6^s 1^d, as to which it is pointed out that there is no knowledge of the funds from which the disbursement of this sum should be made, as there should only be cards for the sums furnished to the agents of the Treasurer for the expenditure of their appropriations and for the loan made to the Company of the Colony, of which the King has made a gift to it. So far from there appearing a shortage, there should, on the contrary, be a considerable sum to the good, arising from the cards which have not been returned. It appears that there is something in the case so extraordinary that the Council will not conceal from you that it has viewed it with much pain. It is willing however to suspend judgment until it has received the explanations it desires you to furnish on the point. Do not fail to send these in your reply. The affair appears so serious that the Council could not permit of any delay in the matter.

You will find herewith the extract from the letter of S^r Petit to M. Gaudion and the order which you gave him on October 20, 1719.

[Not signed]

DEMAND FOR THE GENERAL STATEMENT OF CARD MONEY

14th June, 1721.

.....

The Council had expected to receive by last year's vessel the general statement of the card money, that it might become informed of the bonus which may arise from that of the old issues which has been burned or lost, and which as a consequence has not been brought in. This bonus should be considerable since, by the balance sheet which you sent, there resulted from

that which you issued, a profit of 13,969^{ll} 2^s 6^d, money of France. The Council has not approved of the reasons offered by M. Bégon for deferring the despatch of this general statement, since there is no need of the accounts of the chief clerk for each year, between the Treasurers and the agent, as he requests. He has the official minutes of the issue of these cards, the receipts of their delivery for each budget, and the official minutes of those which have been returned and burned. It is on these documents and not on the accounts of the chief clerk that he should settle with the agents of the Treasurers and make up his general statement of all the cards issued, brought back and burned; and the Council is not pleased with the delay in the sending of this general statement. It will be still less so if you put it off longer, and its desire is that you shall not fail to send it by the return of *Le Chameau*.

The loss of 17,952^{ll} 15^s which occurred through the reduction of the coins shipped last year on this transport for the expenses of the colony, having arisen because you had not been informed in time of the decree of the thirtieth July last, the King will reimburse the amount to M. de Champigny, so that he may remit it next year to his agent.

[Signed] L. A. DE BOURBON

150,000 MARKS OF COPPER MONEY TO BE MINTED FOR THE AMERICAN COLONIES

Edict of the King for the minting of one hundred and fifty thousand marks of copper coins for the Colonies in America, issued in Paris in the month of June one thousand seven hundred and twenty-one, registered in the Court of Monneys.

LOUIS, by the grace of God, King of France and of Navarre, to all present and to come, GREETING:

By our edict of the month of December, one thousand seven hundred and sixteen,¹ we ordered the coining, in the mint of Perpignan, of one hundred and fifty thousand marks of copper coin for our colonies in America, for which we have set aside copper which was in the said mint; but the bad quality of this copper having stopped the said mintage, and the need of the said colonies for small coins increasing every day, we have deemed it our duty to accept the proposition made to us to have minted in the mints the *flaons*² of copper which the Company of the Indies has had made in Sweden.

For these causes and others moving us thereto, with the advice of our most dear and well-beloved uncle the Duke of Orleans, grandson of France, regent; of our most dear and beloved uncle the Duke of Chartres, first prince of the blood; of our most dear and well-beloved cousin the Duke of Bourbon; of our most dear and well-beloved cousin the Duke of Charollois, of our most dear and well-beloved cousin the Prince of Conti, princes of the blood; of our

¹ Given in Zay, *Histoire Monétaire des Colonies Françaises*, p. 48. As it did not come into operation, being replaced by the present edict, it has not been reproduced here.

² *Flaon*, old form of *Flan*. A disc of gold, silver or copper prepared for stamping as a coin or medal.

most dear and well-beloved uncle the Count of Toulouse, legitimized prince, and other peers of France, great and notable personages of our realm: and of our certain knowledge, full power and royal authority, we have, by our present edict, declared and ordained, and we declare and ordain, we will and it is our pleasure that in our mints at Bordeaux, La Rochelle, Nantes and Rouen, there shall be minted, to the extent of one hundred and fifty thousand marks of copper coins, partly in pieces of twenty to the mark, and partly in halves of forty to the mark, and quarters of eighty to the mark, for which the *flaons* already prepared shall be sent, viz:—to our mint at Bordeaux, thirty thousand marks; to that of La Rochelle fifty thousand marks; to that of Nantes, forty thousand marks; and to that of Rouen thirty thousand marks; which coins shall have a remedy of four quarters of a piece per mark, the heavier offsetting the lighter as far as possible, without the necessity of referring the coin to the mark or the mark to the coin; they shall bear the design indicated in the schedule attached under the counterseal of the present decree, and shall be current in all our colonies of America and other places within our dominion beyond Europe, viz:—those of twenty to the mark for eighteen deniers, those of forty to the mark for nine deniers, and those of eighty to the mark for four deniers and a half, but they may not be circulated in France, on pain of a discretionary fine and of confiscation.

We command our trusty and well-beloved councillors, the persons holding our Court of Moneys in Paris, that they shall have our present decree read, published and registered, and its contents kept, observed and executed according to their form and tenor; for such is our pleasure. And to the end that this matter may be fixed, and endure for ever, we have caused our seal to be affixed thereto.

Given at Paris in the month of June, in the year of grace one thousand seven hundred and twenty-one, and of our reign the sixteenth.

Signed: LOUIS

And underneath, By the King, The Duke of Orleans, regent, being present.

Signed: PHELYPEAUX.

Visa, DAGUESSEAU. Examined in council

LE PELLETIER DE LA HOUSSAYE.

And sealed with the great seal of green wax.

Registered in the Court of Moneys, the King's attorney general having been heard and having requested it, to be carried out according to its form and tenor, according to the decree of this day, made in the Court of Moneys, at the half yearly session held on the eighth day of July, one thousand seven hundred and twenty one.

Signed: GUEUDRE

Collated, DE MORVILLE.

Registered, the King's attorney general having been heard and having requested it, according to the decree of this council, by me, councillor, secretary of the King, chief clerk of the said Superior Council of Quebec, the twenty-seventh July, one thousand seven hundred and twenty-three.

Signed: DAINE¹

CORRECT RATING FOR GOLD AND SILVER COINS

Paris, July 1, 1721.

TO MESSRS DE VAUDREUIL AND BÉGON

The Council is sending to you, Sirs, the edict of the month of September last² respecting the minting of new gold and silver coins, the decree of October 24, 1720,³ and that of December 26,⁴ postponing until further orders the reductions announced for the first of January. Through this decree, the louis d'or of the new mintage should circulate for 45 livres each, the écus of ten to the mark of the new mintage for 7¹¹ 10^s, and the *louis d'argent* of the same mintage for 50^s, until you receive orders on the subject to the contrary. The coins of baser metal, also, should circulate only at the rate fixed by the decree of the thirtieth April last, which you will also find herewith. You will give your attention to their execution, and publish them in the colony.

CARD MONEY ACCOUNTS NOT COMPLETED

Colonies. Messrs de Vaudreuil and Bégon

Quebec, November 4th, 1721.

We have received the letter the Council did us the honour to write us on June 14th last.⁵

¹ François Daine was appointed Clerk of the Council of Quebec, 10th February 1722, in succession to M. Barbel, the temporary holder of that position. He was a native of Champagne, being a son of Jacques Daine, an inspector of the royal tobacco factory at Charleville. He became an uncle by marriage of the noted Canadian official M. J.-H. Péan. In 1728 he was being considered for the position of Attorney General, but other claims were stronger. In 1744 he was promoted to the position of Lieutenant General of the judicial district of Quebec, in succession to André de Leigne. He was next appointed as deputy to the intendant, his commission being dated 10 June 1748. (See E. et O., vol. 2, p. 394.) Later he was selected by Bigot, in 1752, as director of the domain of the King and this was approved by the minister. After the Conquest he returned to France, became Minister of Petitions in 1764, and was appointed, 29th June of the same year, to examine the claims of those presenting Canada paper. In 1765 he received a pension of 2,000 livres and retired to Blois, where he died.

² Given at p. 475. ³ Given at p. 491. ⁴ Given at p. 497. ⁵ Given at p. 499.

S^r Bégon has rendered an account to the Council by the *Chameau* of the cargo of that store ship and has sent on the details thereof. He has also sent by the same vessel, the schedules of cards issued and of those burned, together with the balances which show those lost in circulation.

He has not been able to send the general account of the card money by the *Chameau* because, in order to do that, it was first necessary to obtain an accounting from the widow of S^r Petit, which it was not possible to do whilst the King's ship was here. It is attached to the answer he made to the letter of June 14th, which the Council did him the honour to write him on that subject.

He has advised S^r Lanouiller, agent in this country of the Treasurers General of the Marine, that the King is about to replace the sum of 17952^l 15^s, loss on the coins, and that M. de Champigny will make a remittance of this sum to this place next year.

.....
[Signed] VAUDREUIL BEGON

ENQUIRY AS TO DISPOSAL OF THE FUNDS FOR 1721

Paris, May 5, 1722.

To M. BÉGON.

The Council has been informed, Sir, that although there was sent by the transport *Le Chameau* 125,498^l 2^s in cash to meet the payment of the expenses of the colony for last year, and 60,000 livres on account of those of the present year, nevertheless, one month after the arrival of the vessel which brought all this money, the Treasurer closed his office and said he had no more funds, although only a few of the officials had been paid their salaries for the first nine months of this year, and many others had received only six months' pay, and that, finally, they were not able to get anything from the Treasurer except an offer he made them of goods for the months of July, August, and September, informing them at the same time that they could not receive any money this year until it arrives.

These officials quite reasonably made their complaints and you were communicated with regarding it. You replied,¹ as was noticed in Council, that it was necessary to discuss the matter with M. La Nouilliers, who, for his part, responded that the matter did not concern him, and that he always paid on your orders so long as he had funds.

It is added that since the arrival of the vessel very little of the new coinage has appeared in Canada; thus the Council cannot conceive, if the case is as stated, what has become of all this money.

¹ Both Bégon, November 10, 1721, (*Série C¹¹ I*, vol. 44, p. 100) and Vaudreuil, November 11, 1721, (*Série C¹¹ I*, vol. 24, p. 93) had written setting forth the situation above referred to. The former laid the blame on Duplessis and Petit, the agents of the Treasurers General, who were declared to have kept their accounts in a very loose manner. Vaudreuil, on the other hand, who supports the complaints of the officials, is inclined to lay the blame on Bégon. It appears that he had not reserved the last remittance, of 60,000 livres, for salaries alone as was intended, but that he had issued orders on it for supplies and other claims as they came in. These orders Lanoullier had paid as a matter of course. (See also note on Lanoullier, p. 357.)

It desires that you inform it of the truth of what has taken place in this regard, and you should make an investigation of the Treasurer's office to see what has happened to the funds; the Council has had them remitted regularly, part of them in advance, and its intention is that the troops and all those who are to receive money should be paid regularly. It is your business to attend to this matter, and His Majesty will be very much displeased if anything should occur in this matter contrary to the rights of those who are to receive it.

REMARKS BY THE COUNCIL ON THE ACCOUNTS OF CARD
MONEY SUBMITTED BY BEGON

Paris, June 5, 1722.

To M. BÉGON

The Council has received, Sir, your letters of October 8, November 4 and 10, of last year with the documents which were attached to them.

.....
The Council has remitted by the store ship *Le Chameau* the sum of 8,000^{ll} in cash, on account of the supplies of wood which M. de Ramezay¹ is to furnish this year. He has asked that this sum be paid to him at Quebec.

.....
It has examined the statements which you have sent, and all that you have written respecting the general account of the card money. It appears to it that you should not have charged to the funds for the cards the expenses incurred at Quebec for the price of the pitch and of the three consignments to Rochefort as well as for that of the vessels. You should, on the contrary, have had bills of exchange drawn for their reimbursement at the time these expenses arose, since they have no relation to those of the colony. You will take care to follow this order in future, distinguishing what concerns the warehouse at Rochefort from the provisions for the crews, which is the business of the commissary of stores, and you will send a statement of them to the Council, in order that it may give the necessary orders for the repayment. With respect to what has been done in relation to the card money, as you should send this year the general account, it will suspend the orders for reimbursement until it has been received. It advises you not to fail to send it.

It calls your attention to the fact that, by the statement which you sent on October 26, 1719, there remained due by the Company of the Colony only 132,892^{ll} 6^s 9^d, and by the statement attached to your letter of November 10, 1721, it appears that it owes 147,078^{ll} 6^s 6^d, making a difference of 14,185^{ll} 19^s 9^d which arises from the fact that, in the payments received on the discharge of the Company, according to the memorandum of October 26, 1719, this sum was included as having been remitted to S^r Petit in card money, and that it was omitted from the later statement which you sent. You will take care to rectify this error, and to give your attention to ensuring that the detailed statement which you are to send and all the sections composing it are exact, so that this matter may be finally closed.

¹ As to De Ramezay's enterprise in starting saw mills, and his contracts with the government for timber, see note 1, p. 143.

COPPER COIN OF THE COMPANY OF THE INDIES

I

Paris, June 11, 1722.

TO THE DIRECTORS OF THE COMPANY OF THE INDIES.

The Council of Marine has received, Sirs, your letter of the 31st of last month.

It is giving orders to M. de Beauharnois to have embarked on the transport *Le Chameau*, which the King is sending to Quebec, the 40,000 livres in coin which the Company of the Indies intends to send thither.

II

Paris, June 11, 1722.

TO M. DE BEAUHARNOIS

The Company of the Indies, Sir, having resolved to send to Quebec 20,000 livres in silver and 20,000 livres in copper money, you will give the necessary orders, to have it embarked on the transport *Le Chameau*.
.....

III

*May 5, 1723: Currency for the Colonies**Canada**Request*

The Company of the Indies sent last year to Canada copper coin to the amount of 20,000 livres:—that minted in consequence of the Edict of the month of June, 1721¹ which coin was to circulate only in the French colonies.

The inhabitants have objected to receiving this coin in payments, and could not be compelled to do so because this Edict has not been registered in the Superior Council of Quebec.

As a sum of 20,000 livres in this coin cannot be a burden to this colony, and the Council of the Indies will send no more of it unless requested to do so, it requests that the necessary orders be sent to facilitate the circulation of the said coin in Canada.

It appears that the proper course is to despatch letters patent ordering the registration of the said Edict in the Superior Council of Quebec, to send them with a memorandum from the King addressed to Messrs de Vaudreuil and Bégon, and in this memorandum to consent to the Superior Council deciding that no more than one sixth of this money need be received in any payment, according to the practice in this Kingdom.

¹ Given at p. 501.

RENTS, ETC., TO BE PAID IN MONEY RATED ACCORDING TO
THE DECLARATION OF JULY, 1717

*Ordinance forbidding Sr de Saint Denis, acting for Madame Duchesnay, his mother, and also all other seigneurs to require rents contracted for to be paid in livres Tournois, and others which are not stipulated as being in French money, otherwise than under a deduction of one quarter, and requiring those who have received the total amounts to return them or to carry them over.*¹ June 21, 1723.

MICHEL BÉGON, &C., &C.

ON THE PETITION presented to us by Jean Marcou, Ignace Toupin, Vincent Rodrigue, René Toupin, Jacques Avisse and Michel Chevalier, long time residents of the parish of Beauport, acting as well for themselves as for the other inhabitants of the said parish, representing that they hold, in the seigneurie of Beauport, belonging to the said widow, children and heirs of the late Sr Duchesnay, lands, partly on their own account and partly as heirs of their fathers and mothers, on which lands the said widow Duchesnay demands rents at the rate of twenty sols, money of France, per arpent of frontage, without mentioning the conditions, under the pretext that, in the contracts for the said lands, it is stipulated that there shall be paid twenty sols *Tournois* of rent per arpent of frontage.

That the said widow Duchesnay ought not to take advantage of the term *Tournois* employed formerly by the notaries, because since that time the rents of the said lands have not been paid to her, nor has she collected them except on the basis of card money, at a reduction of one quarter, and asking that we may be pleased to summon before us the said lady, widow Duchesnay, to explain what she means by the term *Tournois*, and to declare whether she pretends to require them to pay their rents on another basis than that on which she collected them in the time of the card money, at the foot of which petition is our ordinance of the fourteenth of the present month, ordering that the party be called upon to appear before us this day, and the summons given in consequence to the said lady, widow Duchesnay, as well for herself as for her children, minors and adults, by Desaline, bailiff, on the eighteenth of the present month.

To which summons, Sr Juchereau de Saint-Denis,² son of the said Madame Duchesnay, (acting as well for himself as having verbal authority from the said lady, his mother, tutrix of his brothers and sisters, minors, and also as representing his other brothers and sisters, adults,) stated to us that he would abide by what was decided by us in the said dispute, and requesting us, if we did not consider his claim well founded, that we would be pleased to order that those to whom he had made concessions, since the suppression of the card money, on the basis of twenty sols per arpent frontage, should be held to pay

¹ This is given as a typical sample of a number of ordinances or judgments, which resulted from the application of the official declaration of the King of 5th July 1717. This provided in advance a basis of settlement for such difficulties as were likely to arise from the condition of the card money, and at the same time of the double standard of value known as "money of France" and "money of the country." The features of the matter presented in this document are specially dealt with in article 9 of the above declaration. (See p. 399, and note 1, p. 403.)

² One of the most important members of this notable colonial family and a prominent merchant at Quebec.

the said twenty sols in specie, as if it had been provided in their contracts that they would pay twenty sols, money of France.

And on the said residents persisting in their demand, the parties having been heard:

The said petition, our ordinance and the summons thereupon issued, of the dates already mentioned, having been examined:

We, in view of the fact that the said rents, which were stipulated for in *livres Tournois*, had been received, with the consent of the seigneurs, at the reduction of a quarter, until the suppression of the card money, and that, on the other hand, those which had been stipulated for in French money had been paid without deduction; and seeing, also, that by Article IX of the King's Declaration respecting card money, of the fifth of July, one thousand seven hundred and seventeen,¹ His Majesty ordered that the quittances, rents, fines, leases, and house-rents, as well as all other debts contracted before the registration of the said Declaration, and in which there was no stipulation for payment in money of France, should be paid in money of France subject to a deduction of one quarter, which represents the conversion of money of the country into money of France.

We forbid the said Sr de Saint Denis, in the said name, and all other seigneurs to require payment of the stipulated rents in *livres Tournois*, and others which are not stipulated for in French money, otherwise than with the deduction of the quarter.

We order those who have received them in their full amount, to return them, or to allow them to their tenants, on the rents due or about to fall due, and having regard to the petition of the said Sr de Saint Denis in the said name, as to the rents of the concessions made in the seigneurie of Beauport since the suppression of the card money, which are fixed at twenty sols per arpent frontage, without its having been explained that these twenty sols are money of France;

We order that the said rents shall be paid on the basis of twenty sols, money of France, in full, and without the deduction of the quarter, since, by Article VIII of the said Declaration, His Majesty abolished the money styled "of the country," and, in consequence, ordered that all stipulations in contracts, fines, leases, and generally all other transactions whatever, shall be made, commencing from the registration of the said Declaration, on the basis of money of France. We require, &c.

Done at Quebec, June twenty first, one thousand seven hundred and twenty-three.

[Signed] BÉGON.

REDUCTION OF THE SEIGNIORAGE ON COINS AND CONSEQUENT REVISED RATING

Edict of the King, concerning the Currency, issued at Versailles in the month of August, one thousand seven hundred and twenty-three. Registered in the Court of Monies.

LOUIS, by the grace of God, King of France and of Navarre, to all present and to come GREETING.

The seigniorage which we take in the minting of coins, having given occasion to the introduction into our Kingdom of a quantity of counterfeit

¹ See p. 399.

louis,¹ which is leading the public to prefer to retain silver coins through fear of being cheated in the gold currency, we have resolved to order a general reform in our gold currency, and a minting of new louis, without other augmentation than the mere expenses involved, estimated on account of the lack of fineness, at about one and one half per cent; but as it is proper, in thus completing the reminting ordered by our edict of the month of September, one thousand seven hundred and twenty,² to restore to the same rate the coins bearing the designs specified by the same edict, and those of the same weight and standard minted in consequence of the edict of the month of May, one thousand seven hundred and eighteen,

It has appeared to us necessary to make a reduction favourable to trade in the first mentioned, and in the others an increase which will indemnify the public for the loss of part of the profit it found in taking the liquidation notes to the mints.

For these causes, and others moving us and out of our certain knowledge, full power and royal authority, we have declared, decreed and ordained, and we hereby declare, decree and ordain, we will and it is our pleasure, as follows:—

Article I. That the reminting ordered by our edict of the month of September, one thousand seven hundred and twenty, shall not be continued after the day of the publication of our present edict.

II. That henceforward there shall not be struck in our mints any other gold coins of the same standard and remedy, except those which are now in circulation at a tallage of thirty seven to the mark,³ doubles and halves in proportion, fifteen grains per mark remedy being allowed on the whole.

III. Which louis shall bear the design set forth in the attached schedule under the counterseal of our present edict, and shall be current in our Kingdom for twenty-seven livres each, doubles and halves in proportion.

IV. It is our will that the minting of the écus, which circulate for seven livres ten sols, shall continue on the basis of the same weights, standards and remedies as those fixed by our edict of the month of May, one thousand seven hundred and eighteen, and the designs set forth by that of the month of September, one thousand seven hundred and twenty; which écus shall circulate, commencing on the day of the publication of our present edict, for only six livres eighteen sols each and the halves, thirds, sixths and twelfths in proportion.

V. The workmanship in the minting of the said louis shall be passed upon in our Courts of Moneys in the manner prescribed by article four of our edict of the month of December, one thousand seven hundred and nineteen.

¹ For the cause and results of this process at an earlier stage, see note 1, p. 419. After Law's *débâcle* the finances were gradually being restored to some intelligible if not altogether sound basis, and a definite line of policy was again taken up in 1723. The coins having circulation at this time were chiefly gold louis and silver écus and their various proportions. The louis were of twenty five to the mark, and rated at 44 livres. Those of the former issue, under recall, were taken at the mint at 37^l 16^s; but, when accompanied by one eighth of the total returns in paper certificates for liquidation, the old louis were received at 36 livres. The silver écus were at ten to the mark and rated at 7^l 10^s, those of the former issue, under recall, being accepted at the mint at 6^l 6^s, and, with one eighth in certificates, at 6 livres. Thus coins of exactly the same intrinsic quality were passing at three different values. The practical effects of this situation are recorded by Didot, vol. 2, p. 160. He considers the rating in the above new edict, of August 1723, as justified for a time in order to prevent the general export of specie.

² Given at p. 472.

³ Dudot gives the tallage as 37½ to the mark, (vol. 2, p. 164.)

VI. To prevent any interruption of trade, we order that the louis which are now in circulation shall continue to be passed in public, and that they shall be received, until the first day of December next, on the following basis:—those of the full weight of 7 deniers 15 grains for 39 livres 12 sols each, those of the full weight of 7 deniers 14 grains for 39 livres 7 sols, halves in proportion; after which date they shall be forbidden circulation, and offered and received at the mints and by the money changers only as bullion.

VII. It is to be understood that the écus of ten to the mark, not restamped, shall also be current during the said time for 6 livres 18 sols; the halves, thirds, sixths, and twelfths only in proportion; after which date, they shall be likewise forbidden circulation and received merely as bullion.

VIII. To adjust the price of the other coins, French as well as foreign, to that of gold and silver bullion in the current coins, so that there shall be, in reality, no more than $1\frac{1}{2}$ per cent of difference at most, we will that the mark of fine gold of 24 carats shall be received in the mints for one thousand and eighty-seven livres twelve and eight elevenths sols; the mark of the louis, as well as that of the gold Leopolds of Lorraine, the Portuguese milreis, the English guineas, the pistoles of the standard fixed by the old ordinances of the Spanish kings, for 997 livres; that of the new Peruvian pistole for 980 livres; the mark of fine silver or of silver of twelve deniers for seventy-four livres, three sols, seven and seven elevenths deniers; that of the old écus, as also of the quarters, tenths and twentieths minted in consequence of our edict of the month of May, 1718, together with the silver Leopolds of Lorraine, the English crowns, and the dollars or reals of the standards fixed by the old Spanish ordinances for 68 livres; the mark of solid plate bearing the Paris hallmark, for seventy livres one sol two deniers; that of composite plate with the same hallmark for sixty-nine livres seven deniers, and that of plate of the French provinces for sixty-eight livres; the other coins and bullion in the proportion of their standard, in accordance with the ratings which shall be fixed in our Courts of Money, at which ratings all the said coins and bullion shall be paid by the money changers, who shall withhold only their fees, as these have been fixed.

We command our beloved and trusty councillors, the persons holding our Court of Moneys in Paris, that they shall cause our present edict to be read, published and registered, and the contents of the same to be kept, observed, and executed according to their form and tenor, notwithstanding all edicts, declarations and other things to the contrary, which we have revoked and do revoke by our said present edict; for such is our pleasure. And to the end that this matter may be fixed and established forever, we have caused our seal to be affixed thereto.

Given at Versailles, in the year of grace one thousand seven hundred and twenty-three, and of our reign the eighth.

Signed: LOUIS

And, underneath, By the King, *Signed:* PHELYPEAUX.

Visa, FLEURIAU;¹ seen in the council, DODUN,² and sealed with the great seal of green wax.

Read, published, registered, and heard at the request of the attorney general, to be executed according to its form and tenor. Done in the Court of Moneys, in the semi-annual session, the twentieth day of August, one thousand seven hundred and twenty-three.

Signed: GEUDRE.

Collated with the original by us, esquire, Councillor, Secretary of the King, the house and crown of France, and of his finances.

(For the King)

Signed: GEOFFRIN.

FAILURE OF ATTEMPT TO INTRODUCE COPPER COINAGE INTO CANADA

Colonies

Messrs de Vaudreuil and Bégon. October 14, 1723.

MY LORD:—

We have received the memoir from the King of the 5th May last,³ attached to the letter which you did us the honour to write to us on the 10th of the same month, with the letters patent of the said day, the 5th May last, directing the registration in the Superior Council of this town of the edict of the month of June 1721,⁴ for the mintage of 150,000 marks of copper currency, which is to circulate in the colonies.

We have registered it, and in conformity with His Majesty's directions it has been determined by the decree of registration that, in payments which may be made, it shall form no more than a sixth part.⁵

M. Bégon issued an ordinance last year to give circulation to this money in accordance with the same edict, which was published and posted up, and we have given all the protection in our power to S^r de Lotbinière,⁶ Director of

¹ Joseph Jean-Baptiste Fleuriau D'Armenonville, Comte de Morville was born 22nd January 1661. He was Councillor of the Parliament of Metz in 1686, and afterwards chief clerk in the office of the Controller General. Later he was Intendant of Finance, in 1690, and Director of Finance from 1701 to 1708, as also a member of the Council of Commerce. He acted as Secretary of State for the Department of Marine, from 24th September 1718 to 14th August 1723, and Keeper of the Seals, from 28th February 1722 to 15th August 1727. He died senior member of the Council of State, 27th November 1728.

² Charles Gaspard Dodun, Marquis d'Herbault was born 16th July 1679. He was appointed Councillor of the Parliament, 26th November 1701, and became Minister of Petitions, 13th June 1721. Subsequently he became a regular member of the Royal Council and of the Council of Regency. On the retirement of Pelletier de la Houssaie, he was appointed Controller General of Finance 12th April 1722.

³ See p. 511.

⁴ See p. 501.

⁵ See the document of 5th May 1723, given at p. 511, with the resolutions of the Council as to directions to be sent to Canada in connection with this subject. See also the despatch of the Minister to the Governor and Intendant, 6th June 1724, given at p. 527, containing a representation from the Company as to their difficulties with the first shipment of these copper coins. Other correspondence followed, until instructions were given to return the balance of the coins to France (see p. 549).

⁶ Eustache Chartier de Lotbinière was at this time agent at Quebec of the Company of the Indies. He was the son of René Louis Chartier de Lotbinière (see note 1, p. 87) and was appointed a member of the Council on the death of his father, 5th

the Company of the Indies, to have this money received by the public. It has been impossible to succeed in this because it is not the practice in this country to receive or make payments in copper coin, which has been found inconvenient on account of its weight, which is much beyond its intrinsic value, and because it is not current beyond the colony.

We observe so much opposition to the proposal, and so little hope of overcoming it, that it would not seem proper to attempt anything beyond what we have done.

[Signed] VAUDREUIL. BÉGON.

Quebec, October 14, 1723.

REDUCTIONS IN THE RATING OF COINS

Decree of the King's Council of State, providing for the reduction in value of the gold and silver coins and bullion.¹ February 4, 1724

THE KING deeming it necessary to reduce the value of the gold and silver coins and bullion, and His Majesty desiring to make known his intentions, the

May 1710. The difficulty arising from his being under age was met by special dispensation of 7th July 1711. On June 6, 1712 the Minister expressed to him the encouraging assurance that, with application to duty, he might hope to repeat the honourable career of his father or of his grandfather. On April 3rd 1717, he was appointed Keeper of the Seals for the Council of Quebec, and in 1722 was appointed agent at Quebec for the Company of the Indies, his letter of instructions being dated 28th March of that year. In this letter it was stated that, for the future, the Company would send to Canada both goods and money, instead of permitting bills of exchange to be drawn on it from thence. Notwithstanding his brilliant prospects in a secular career, he appears to have been very strongly drawn to a religious life; and, on April 4th 1726, he took religious orders at the hands of Mgr. Saint Vallier, bishop of Quebec. He gave up, at this time, his position as agent for the Company of the Indies, but, with the King's permission, he retained his seat in the Council as a lay member. It was expected that he would resign his official position as Keeper of the Seals, but, at his own request, supported apparently by the Governor and Intendant who laid the matter before the King, he was permitted to retain this position. He was deeply involved in the ecclesiastical and political troubles which resulted from the dispute over the burial of Bishop Saint Vallier and the arrangements for filling his position. He acted as representative of one of the candidates, Mgr. de Mornay, in taking possession of the episcopal see of Quebec in opposition to the Chapter of Quebec. In 1738 the King appointed him dean of the Chapter of Quebec, he having been previously archdeacon. In 1739 he was suspected of reviving the troubles in the church in Canada, and was warned that the King would take steps to prevent this. However, similar troubles continued for some time and, in 1740, Lotbinière acted for the Bishop of Quebec in opposition to the Chapter. He died at Quebec 14th February 1749.

¹ The Minister of Marine, under date of 22nd February 1724, announced to Vaudreuil and Bégon that he was sending them this decree and instructed them to render it public and to give due attention to its enforcement. This was the first of several successive decrees, including those of 27th March, (given at p. 525) 22nd September, (given at p. 529) of 1724, and 4th December 1725, by which the coins were more or less rapidly reduced from their highly inflated values, at the close of Law's epoch, to very moderate rates. The gold louis was reduced from 27 livres to 12 livres, and the écu from 6^l 18^s to 3 livres. As to the policy and purpose of these reductions, see the preamble to the edict of September 1724, providing for a recoinage of the silver coins (given at p. 531). In 1725 the King declared that the reductions already made had cost him 34,820,818 livres, all of which he claimed was incurred in the interest of trade.

report of S^r Dodun, regular councillor in the royal council, controller-general of finances, having been heard, His Majesty being in his council has ordained and hereby ordains, that, commencing on the day of the publication of the present decree, the louis d'or which circulate at present for 27 livres, shall circulate for only 24 livres each, the doubles and halves in proportion, and that the écus which circulate at present for 6 livres 18 sols, shall circulate for only 6 livres 3 sols each, the halves, quarters, and the silver coins and bullion in proportion.

His Majesty enjoins the officers of his Courts of Moneys and the intendants and commissaries located throughout the provinces and generalities of the Kingdom for the execution of his commands, to give their attention to the carrying out of the present decree, which shall be read, published and posted up wherever necessary, to the end that no person may be ignorant of it.

Done in the King's Council of State, the King being present, at Versailles, the fourth day of February, one thousand seven hundred and twenty-four.

Signed: PHELYPEAUX.

FURTHER REDUCTION IN THE RATING OF THE COINAGE

Decree of the King's Council of State for the reduction in value of gold and silver coins and bullion, and of copper coins and coins of baser metal. March 27, 1724.¹

THE KING deeming it necessary again to reduce the rate of gold and silver coins and bullion, and at the same time to reduce the coins of copper and baser metal, and desiring to make provision for the same, the report of S^r Dodun, regular councillor in the royal council, controller general of finances, having been heard, His Majesty being in his council has ordained and hereby ordains, that, commencing on the day of the publication of the present decree, the louis d'or which at present circulate for 24 livres, shall henceforth circulate for only 20 livres each, doubles and halves in proportion; the mark of fine gold of 24 carats shall henceforth be received at our mints for eight hundred and one livres sixteen sols four and four elevenths deniers, and that of the old louis d'or at seven hundred and thirty-five livres; the écus, which at present circulate for 6 livres 3 sols, shall henceforth circulate for only 5 livres each, halves and other fractions in proportion; the mark of fine silver of 12 deniers shall likewise henceforth be received at the mints for only fifty-three livres nine sols eleven and one eleventh deniers; the mark of écus of the earlier mintings for 49 livres, and the other gold and silver bullion in proportion.

His Majesty ordains that, commencing from the said day of publication of the present decree, the coins known as thirty deniers, which at present circulate for 3 sols, shall henceforth circulate for only 27 deniers; the sols or *douzains*, which at present circulate for 2 sols, shall henceforth pass for only 18 deniers; the copper sols of 12 deniers, the minting of which was ordered by edict of the month of May, 1719, and which at present pass for 16 deniers,

¹ Under date of 6th June 1724, the Minister sent this decree to the Governor and Intendant with instructions to register and enforce it.

shall henceforth pass for only 12 deniers, the fractions in proportion, and the *liards* which at present pass for 4 deniers shall be reduced to 3 deniers each.

His Majesty enjoins the officers of his Courts of Moneys, and the commissaries and intendants dispersed throughout the provinces and generalities of the Kingdom, to give their attention to the execution of the present decree, which shall be read, published, and posted up wherever necessary, to the end that no person may be ignorant of it.

Done in the King's Council of State, His Majesty being present, held at Versailles the twenty-seventh day of March, one thousand seven hundred and twenty-four.

Signed: PHELYPEAUX.

COLONIAL COPPER COINAGE: SUGGESTIONS FOR ITS DISPOSAL

Versailles, June 6, 1724.

TO MESSRS DE VAUDREUIL AND ROBERT.¹

.....

The Company of the Indies has represented that it has in the hands of its agent at Quebec about 20,000 livres' worth of copper coins, stamped "French Colonies," which it cannot employ in payment for beaver, on account of its inability to furnish the four fifths² in gold or silver coins, as has been required. It has been proposed at the same time to hand over that portion of the 20,000 livres to the office of the Treasurer of the Marine at Quebec, which would appear to be convenient to give currency to this money, which would be useful in the colony, and which would always remain there. I am, however, deciding nothing on this subject without first having your opinion, which I beg you to send me by this year's vessels. I may observe to you that each coin of this money, which according to the edict is worth 18 deniers, is worth no more than 12, by reason of the reductions that have taken place here, and that the other coins are reduced in proportion. They should not be given to the Treasurer except on this basis, and distributed to the public in accordance with this value, because there will be sent, before these coins are transferred, a decree of reduction bringing them down to this rate. You might consult the chief inhabitants on this question, but I believe the transaction to be of advantage to the colony, which will have, by means of the reduction, about 13,000 livres' worth of this money, which is necessary for salaries and sundries.

You will also send me an exact statement of the quantity of this coin in the hands of the agent of the Company, so that I may transfer here the same

¹ Edmé Nicolas Robert was the nephew of Louis Robert, the first Intendant of Canada, and a cousin of the Marquis de Seignelay. He had been Councillor of the Grand Council, and about 1718 occupied a position in the royal service at La Rochelle. He was selected as Intendant of New France to succeed Bégon, 22nd February 1724. He was already acting in that capacity in France from the time of his appointment. His instructions as Intendant were issued in the form of a memorandum from the King, under date of 22nd May 1724. He embarked for Canada 24th July, but died at sea immediately afterwards. His death not having been learned in France until the return of the vessels from Canada, many despatches had been sent to him in the interval. These were acted upon by Bégon, who remained in Canada as acting Intendant until a successor should be appointed.

² This should be five-sixths, according to the arrangements made in the Royal Council, 5th May 1723 (see p. 511). This is the proportion given also in the decree of registration, as reported by the Governor and Intendant, 14th October 1723 (see p. 521).

value in money by means of an order which the Company will give [for you] to receive from its agent the same amount in copper coin.

REDUCTION IN RATING OF THE CURRENCY

Decree of the King's Council of State enacting a reduction in the rating of the gold and silver coin and bullion; September 22, 1724.

His Majesty having deemed it necessary, as well for the advantage of trade and the reduction of the price of provisions, as for the general welfare of all his subjects, to fix the rating of the currency on a basis which shall be invariable for the future; His Majesty has caused enquiry to be made in his council as to whether it would be proper to make a further reduction in the value of coins or to leave them on the footing on which they stand today, and it has appeared to him indispensable to reduce the coins by one single and final reduction to a value which may be the basis for an edict of general regulation for the stabilizing of the currency, which will be issued immediately to that effect.

And His Majesty desiring to explain his intentions respecting the said reduction, having heard the report of S^r Dodun, councillor in ordinary in the royal council, controller general of the finances, His Majesty, being in his council, has ordained and hereby ordains that, commencing from the day of the publication of the present decree, the louis d'or, which at present circulate for 20 livres, shall henceforth circulate for only 16 livres, doubles and halves in proportion; that the mark of fine gold, that of the earlier louis, the mark of fine silver and that of the écus of earlier mintages shall be received at the mints on the basis of a reduction of one fifth from the price fixed by the decree of the 27th March last, and other gold and silver bullion in proportion, the whole in conformity with the tariffs of values which shall be promulgated in execution of the present decree. His Majesty declares that there shall be no further reductions made in the value of the currency in future, as will be set forth at greater length in the edict for the regulation of the currency which will be published forthwith for that purpose.

His Majesty enjoins the officers of his Courts of Moneys and the intendants and commissaries located throughout the provinces and generalities of the kingdom, to give their attention to the execution of the present decree, which shall be read, published, registered and posted up wherever necessary, to the end that no person may be ignorant of it.

Done in the King's Council of State, His Majesty being present, at Fontainebleau, the twenty-second day of September, one thousand seven hundred and twenty-four.

[Signed] PHELYPEAUX.

EDICT RELATING TO THE ABOVE

Edict of the King, to the effect that there shall be made a general recoinage of all the silver coins; given at Fontainebleau in the month of September, one thousand seven hundred and twenty-four.—Registered in the Court of Moneys.¹

LOUIS, by the grace of God, King of France and of Navarre, to all present and to come, GREETING.

Nothing has appeared to us more important for the general well-being of our state than to fix a certain and invariable rate on the value of money, on the basis of which our subjects and foreigners may trade with assurance, and which may serve as a certain standard, as well for the stabilizing of exchange as for the prices of goods and merchandise. The considerable over-rating of the currency to which we have found ourselves committed by the circumstances of the times, and the necessity of restoring the currency by successive reductions to the basis at which it seemed proper to fix it, has prevented us until the present from achieving this object; we have indeed determined, since the reduction ordained by the decree of March 27 last,² to allow a considerable time to elapse in order that we may be in a position to decide, from our own experience and with a knowledge of conditions, whether it were proper to fix the rate of coins on the basis to which they were reduced by the last decree or to reduce them still further, and to what point it would be necessary to carry this reduction. And after having had the different memoirs which have been laid before us examined in our council, it has appeared to us that after a considerable overrating of the coinage, when a whole nation has entered into obligations for a long period on a legal-tender value infinitely higher than that which it had previously, and manufactures and trade are adjusted to this basis, it is very dangerous, not to say impossible, to return to the previous standard.

The example of the past shows us this, since the mark of coined silver had been carried up by degrees to the legal-tender value of 27 livres, by enhancements which took place at different times, after which we have always been obliged to keep a higher value for the currency than it had before: the experience of what occurred in 1715,³ and the several efforts made to return to the early standard demonstrates how pernicious it would be to follow this course.

For these reasons we believed that we should adopt a scale which may reconcile as far as possible the several interests which are met with, and none has appeared to us more just than that of 16 livres for the louis d'or now in circulation, and of 4 livres for the écu which will be struck in execution of our present edict, since we thereby reduce the coins by nearly one half the rates at which they have passed for some years, and we place them on a footing almost equal to that at which they have stood during a large part of our reign, and even in the time of the late king, our greatly honoured lord and great

¹ In a despatch from the Minister to the Governor and Intendant, dated 10th October 1724, he states that he is sending them the foregoing decree of the 22nd September, with reference to the new, and, it was hoped, final reduction in the rating of the coins; as also this edict of the same month prescribing a new mintage of silver coins to conform more accurately with these ratings. They were required to register these in the Council of Quebec and have them duly executed.

² See p. 525.

³ For particulars as to the conditions of that period see note 1, p. 419.

grandfather, without however it appearing that while they stood on that basis there was an obvious advance in the prices of goods and merchandise; but as it has appeared to us necessary to make calculation in silver coins easier, by avoiding the inconvenient fractions which are found in the divisions of the écu, by reason of the thirds, sixths, and twelfths, in which there is always a loss for those who are obliged to give them in small transactions, and being informed, furthermore, that, owing to the quantity which has been minted of these coins for some years past, the inconveniences connected with payments have been considerably increased, these being for the most part made in those kinds of coin, the counting of which takes three times longer than that for payments which are made in écus; we have deemed it proper to have a general remintage of all the silver coins, by ordering a new coinage of écus of the same standard as those now in circulation, and of the weight which shall be fixed by the present edict, as, also, to have coined halves, quarters, eighths and sixteenths of écus, by means of which the écu being divided into coins of 40 sols, 20 sols, 10 sols, and 5 sols, and there being minted no greater quantity of these coins than is required to maintain the customary proportion with the écus, accounts and payments will be made with greater facility and without loss to the public; we shall thereby change the proportion (15 to 1) which existed between gold and silver and reduce it to the proportion of about $14\frac{1}{2}$ to 1, this change appearing to us necessary since the quantitative proportion has changed between the metals; and as it is our intention no longer to take a profit on the manufacture of our coinage, we will reserve only two per cent, partly for the waste and lack of fineness, and partly to pay a portion of the expenses of the present coinage, the excess being paid by us from our own funds. By these differences we shall establish a just proportion, a suitable value and a convenient division in the whole coinage of our realm, and we shall thereby put ourselves in the position of not being obliged to change anything in the future.

For these causes, and others moving us thereto, with the advice of our council, and of our certain knowledge, full power and royal authority, we have by our present perpetual and irrevocable edict, declared, decreed and ordained, and we hereby declare, decree and ordain, and it is our pleasure, namely,

Article I. That, commencing on the first day of November next, there shall be struck in our mint, écus of the same standard and remedy according to law as those struck in consequence of our edict of the month of September 1720,¹ and others of an earlier date, but at the tallage of ten and three eighths to the mark, half écus, quarters, eighths and sixteenths in proportion, and with a weight remedy of half a drachm per mark for the écus and half écus, of $41\frac{1}{2}$ grains for the quarters and eighths, and of 83 grains for the sixteenths; all which coins shall bear the design set forth in the schedule attached under the counterseal of the present edict, shall be milled on the edge in the usual manner, and shall pass current within the whole extent of our Kingdom and the territories and seigniories under our authority, for 4 livres each, the halves for 40 sols, the quarter écus for 20 sols, the eighth écus for 10 sols and the sixteenths for 5 sols.

II. To prevent any interruption of trade we will and ordain that the écus, half écus, thirds, sixths and twelfths of écus, which are now in circulation, shall continue to be received in payments, until the first of February of next

¹ Given at p. 475.

year, on the basis established by the decree of the 22nd of the present month,¹ after which time these coins will be deprived of all currency, and will not be thereafter received in our mints except by weight.

III. We will that, in consequence of the decree of our council of the 22nd of the present month, the rate per mark of fine gold, or of gold of 24 carats, shall be and remain fixed at 641 livres 9 sols 1 $\frac{1}{4}$ denier; that of the louis which have been decried, of the pistoles of the standard fixed by the old ordinances of the kings of Spain, of the Portuguese milreis, and the English guineas, at 588 livres; the mark of fine silver or of 12 deniers, at 44 livres 8 sols; that of the French écus which have been withdrawn, of the dollars or reals of the standard fixed by the old ordinances of the kings of Spain, and of English crowns, at 40 livres 14 sols; the mark of solid plate bearing the Paris hallmark, at 41 livres 18 sols 8 deniers; that of composite plate of the same hallmark, at 41 livres 6 sols 4 deniers; and that of other plate and coins in the proportion of their standard, in accordance with the valuations which are determined by the officers of our Courts of Moneys, on which valuations all bullion shall also be paid by the money changers, who shall deduct merely their fees as these have been fixed; in consequence of which we enjoin the said money changers to provide themselves with the necessary funds, on pain of being deprived of their privileges. We declare, in accordance with the said edict, that there shall be no reduction or other variations in the value of the coinage, which shall remain in future on the basis which has been fixed by the present edict; we for our part renouncing the taking of any profit on the mintage of our money, our intention being to relinquish to our people the seigniorage dues and to reserve to ourselves nothing more than the cost of minting, which must never under any pretext exceed two per cent, partly for the lack of fineness and partly for the waste and all other expenses of minting, we undertaking to make up any shortage from our own funds.

IV. The workmanship of the minting ordered by the present edict shall be passed upon by our Courts of Moneys, in the form prescribed by Article IV of our edict of the month of December 1719.

We give it in command to our well-beloved and trusty councillors, the persons holding our Court of Moneys in Paris, that they cause our present edict to be read, published and registered, and the contents of the same kept, observed and executed according to its form and tenor; for such is our pleasure. And to the end that this shall be a matter firm and established forever, we have caused our seal to be affixed thereto.

Done at Fontainebleau, in the month of September, in the year of grace one thousand seven hundred and twenty-four, and of our reign the tenth.

[Signed] LOUIS

And underneath, By the King

[Signed] FLEURIAU

Exhibited in Council, DODUN; and sealed with the great seal of green wax, and thereafter is written;

Read, published and registered, the King's attorney general having been heard, and requesting it, to be executed according to its form and tenor in accordance with the decree of this day; done in the Court of Moneys in the

¹ Given immediately preceding this, p. 529.

semi-annual session, the twenty-sixth day of September, one thousand seven hundred and twenty-four.

[Signed] GEUDRÉ.

And thereafter is also written: Collated with the original by us, councillor, secretary-councillor of the King, his house, the crown of France and of his finances.

[Signed] GEOFFRIN.

PROPOSED RETURN OF THE COPPER CURRENCY OF THE COMPANY OF THE INDIES

Copy of a letter written to Count de Maurepas¹ by Messrs de Vaudreuil and Bégon, dated November 2, 1724.

My Lord:—

.....
 We have nothing to add to what we wrote you on October 14 of last year,² regarding the copper currency. The chief inhabitants whom we have consulted are of opinion that it is not adapted to this place, that it can only be a burden, having no currency outside the colony, and that it is not necessary as the smallest purchase is never below a *sol marqué*. Observing the circulation it appears to have, we are of the same opinion. There remains in the hands of the agent of the Company of the Indies, according to the schedule herewith, in pieces of 9^d reduced to 6^d, a quantity worth 13,350 livres, which is of no use to the Company, and may be very prejudicial to the inhabitants, who would receive no other money for their small wares; we believe that it would be dangerous to make any further efforts in this matter, that it would be better not to risk anything, and that there is no other course to take but to send it back to France.

.....

[Not signed.]

¹ Jean Frédéric Phéliepeaux, Comte de Maurepas was born at Versailles 3rd July 1701. He was the son of Jérôme Phélypeaux, Secretary of State. (See note 2, p. 109.) On August 14th 1723 he became Secretary of State for Marine in succession to Fleuriau, and continued in that position until 30th April 1749. As Minister of Marine he became also a member of the Bureau of Commerce, 19th June 1724. He was designated President of the Navy Board and Minister of the Colonies, from January 1733, and as such maintained a detailed correspondence with the officials of the colonies, especially with the Governor and Intendant of Canada. His wit and sarcasm as applied to the other ministers of Louis XV, many samples of which have been preserved, led to his dismissal from office in 1749, and his exile from the Court for the remainder of that reign. On the accession of Louis XVI, however, he was recalled to favour, and became Prime Minister and chief of the Council of Finance. He died 21st September 1781. The general contemporary estimates of him would indicate that, while not of very profound native ability, he readily grasped the ideas and plans of others, and was favourable to the promotion of science in its application to navigation and commerce. In his personal relations he was most agreeable and accessible. In the administration of the Department of Marine he was supposed to be under the influence of Fleury, who was Chancellor from 1717 to 1746.

² See p. 521.

RESPONSIBILITY FOR CARD MONEY ACCOUNTS

*Colonies**M. Bégon. 2 Nov. 1724*

My Lord:

.....

I am replying, by a private letter, to the memoirs on the subject of the card money. As you have, however, been good enough to point out to me that this matter is of concern to me, and to recommend me to bring with me whatever is necessary to close it up entirely, I am taking the liberty, My Lord, to state that I do not know in what respect it could affect me.

It is the agents¹ of the Treasurers General in this country who have been entrusted with all this money, in accordance with the receipts on the margins of all the official minutes of the issues that have taken place, and who alone should render account of it, and M. Gaudion, who will receive this year by the *Chameau* his returns for 1721, will have the receipts for the surplus on these returns which he requires.

DISPOSAL OF THE COLONIAL COPPER CURRENCY

Id [*Versailles, May 29, 1725.*]

To MESSRS DE VAUDREUIL AND CHAZEL²
Gentlemen,

I wrote on June 6 of last year to Messrs de Vaudreuil and Robert,³ that the Company of the Indies had represented to me that they had in the hands of their agent at Quebec about 20,000 livres worth of copper coin, stamped *Colonies Francaises*, which they were unable to give in payment for beaver, owing to their inability to furnish the four-fifths in gold and silver coins as had been prescribed, that it had been proposed to transfer this portion, of 20,000 livres, to the office of the Treasurer of the Marine at Quebec, which appeared a convenient method of putting this coin in circulation, which might be useful to the colony and might remain there always, but that I did not wish to decide on the matter before having their advice, which I asked them to send me by the return of last year's vessels.

¹ As to the relation of the agents of the Treasurers General to the issue and payment of the card money, see note 1, p. 383.

² Guillaume de Chazel, or Chazelles, was informed by the Council of Marine, 16th January 1725, that he had been selected the previous day to succeed the late M. Robert as Intendant in New France. Previously he had been commissary general at Brest, from April 1716. He was instructed to sail for Canada in May and took passage on the King's vessel the *Chameau*, which had made so many voyages to Canada. On this occasion, however, arriving off the coast of Cape Breton in a very heavy storm, the vessel was wrecked on the island of Port Nové, about three leagues from Louisbourg, on the night of the 27-8th August. It became a total wreck, with the loss of everyone on board including the new intendant. As in the case of his predecessor, M. Robert, numerous despatches were sent to him before his fate was known in France. Once more M. Bégon had to prolong his stay in Canada, continuing to discharge the duties of intendant.

³ Given at p. 527.

I observed to them that a coin of this money, rated in accordance with the edict for the mintage at 18^d, was worth no more than 12^d, and the others in proportion, by reason of the reductions of the coins, and that these coins should be handed over to the Treasurers' agent, only on this basis, and circulated in public on the same basis, since, before these coins were delivered to him, a decree would be issued prescribing this reduction and rating them at two-thirds of their original value. I remarked that they might consult the chief inhabitants on the matter, but that I thought the proposal of advantage to the colony, which would by this means have about 13,000 livres worth of small change necessary for salaries and sundries. I asked them to send me an exact account of the quantity of this coin in order to deliver the same amount in silver to the Company here, who would give an order for the delivery by their agent at Quebec of the equal sum in that coin, to the agent of the Treasurers.

Messrs de Vaudreuil and Bégon who received that letter have not replied either jointly or individually.¹ I have found among the papers concerning Canada, only a schedule of these coins furnished by S^r Lotbiniere, in a copy collated by M. Bégon, by which it appears that there was at that time, in the hands of the agent, 534,000 pieces of 9^d, making a total of 20,025 livres, which would be reduced to 13,350 livres, through the reduction of one-third; but this schedule is not sufficient to enable me to bring the matter to a conclusion. I shall await the further explanations upon it, required from Messrs de Vaudreuil and Robert, in my despatch of June 6, of last year.

[Not signed]

LOSS ON THE COINS IN THE GOVERNMENT TREASURY OWING TO REDUCTIONS IN RATING

Colonies

Reductions

Messrs de Longueuil and Bégon. October 31, 1725.

My Lord:—

We have the honour to reply to the letter you wrote to Messrs de Vaudreuil and Robert on October 10 of last year,² sending the decree of the King's Council of State of the previous September 22, which enacts a reduction of 4 livres in each louis d'or of the last minting, doubles and halves in proportion, and of 20^s on each écu of 10 to the mark, halves, thirds, sixths, and twelfths in proportion, and the edict of the same month which prescribes a general coinage, and a new minting of silver coins; they were registered in the office of the clerk of the Superior Council, on the thirteenth of August last, and published the same day.

¹ The despatch of November 2nd, 1724 given above at p. 537, is the reply in question; but, probably owing to the delay occasioned by the wreck of the *Chameau*, it had not then been received by the minister.

² See *Série B*, Vol. 47, p. 239.

We enclose the official minutes made by S^r Bégon, in consequence, one of the same day at the office of S^r Cugnet,¹ Director and Receiver of the Domain, according to which the loss of one-fifth on the coins found in his Chest amounts to the sum of 2242 livres.

The other, also of the same day, at the office of S^r de Boiseler² Controller of Marine, according to which the loss of the fifth on the collections made by him, the present year, of 6 deniers per livre withheld for the invalids of the Marine, amounts to 176^{ll} 10^s.

And the third of the 26th of the same month at the office of S^r Lanoullier on the return of himself and M. Daigremont from Montreal, where the said S^r de Lanoullier had gone to retire his orders,³ according to which the loss on

¹ François Etienne Cugnet had been for some time Director and Receiver General of the Domain of the West at Quebec. In that capacity he represented in Canada Armand Pillavoine, contractor of the general *fermes* of France and the Domain of the West. In 1722 increasing losses to the contractor, owing to the contraband trade, led Cugnet to request and receive the assistance of a detachment to guard the Lake Champlain route. In October 1729 a regulation of the Intendant gave effect to an agreement between Cugnet, as representing the *fermier* of the Domain, and Lanoullier, as agent of the Company of the Indies, making an equal division of the seizures of goods and furs in connection with the contraband trade. (See E. et O., vol. 2, p. 338.) Had Daine been appointed Attorney General in 1728, Cugnet was to have succeeded him as Clerk of the Council. He was, however, appointed to the first vacancy in the Council, 13th February 1730, and three years later, 18th April, 1733, was promoted to the position of first Councillor. Being of an enterprising disposition Cugnet undertook several important experiments in the way of developing the natural resources of the colony. Between the years 1730 and 1733 he devoted considerable attention to the possibility of domesticating, at Montreal, buffalo from the Illinois district, with a view to utilizing their hair or wool in the production of textiles. This enterprise was fostered by the government but proved to be impracticable. He then turned his attention to the cultivation of tobacco, and was again encouraged by the Bureau of Commerce, in the hope of obtaining from Canada supplies of this luxury which would relieve France from its dependence upon England for that important product. After several years of experiment the experts in France reported that the quality of the samples sent over was still considerably below the desired standard. The Domain of the West having been separated from the general *ferme* of France, in August 1723, and transferred to the Department of Marine, Cugnet lost his position as director. He was still considerably in arrears in his payments to the Domain. He applied for a lease of the post at Tadoussac and the adjoining territory. After some delay, the Intendant was authorized, in May 1737, to grant him the lease. The King sanctioned the lease for nine years from 1st October. Cugnet's next enterprise was the organizing of a company, with himself as treasurer and including several prominent officials in Canada, to take over the lease of the St. Maurice iron forges, previously held by Francheville. Cugnet's company raised much new capital and otherwise involved itself in heavy obligations in order to develop this interesting enterprise. The results, however, were anything but encouraging and the company was speedily involved in financial troubles, evidently due to extravagance and poor management. It was forced to give up the lease about 1740. Thereafter Cugnet, who had apparently accumulated some considerable fortune in other directions, was chiefly engaged in the task of liquidating his debts partly in connection with the arrears owing to the Domain, but chiefly in connection with the iron forges. To assist him in these matters he was granted a lease of the chief fur posts to the north of Lakes Huron and Superior, and the continuation of the lease of Tadoussac. Although he did not appear to be making very rapid progress in his liquidation, yet it was found after his death in 1751, that his estate was sufficient to meet the remaining obligations to the national treasury and the creditors of the Iron Company.

² This is Lanoullier de Boisclerc who is mentioned in the next paragraph. (See note 1, p. 357.)

³ Being the orders or *ordonnances* which had been issued there in payment for local supplies and services, and which circulated among the tradesmen and others until they were redeemed in exchanges on France at the close of the season.

the coins found in his Chest amounts to the sum of 4720^l 3^s 4^d, which we beg you to make good.

We have the honour to be with the most profound respect,

My Lord,

Your very humble and obedient servants,

LONGUEUIL. BÉGON.

Quebec, October 31, 1725.

OFFICIAL MINUTE OF THE LOSS INVOLVED THROUGH THE REDUCED RATING OF THE COINS

In the year one thousand seven hundred and twenty-five, on the afternoon of August 13, we, Michel Bégon, Seigneur of Murbelin in Picardy and other places, Councillor of the King in his Councils and in the Parliament of Metz, Intendant of Justice, Police, and Finance of New France, repaired to the office of the Western Domain in this country to make our report on the coins in the chest in the office of the said Domain, where, in the presence of Messrs Joseph Nouchet, controller, and Henry du Sautoy, inspector of the said office, S^r Cugnet, director and receiver-general of the said Domain, opened his strong box, and displayed to us the coins hereafter mentioned, which he informed us were the proceeds, partly from the receipts of the import duties and partly from land dues, and the sale of oil, arising from trade, all being received during the present year, which coins were counted in our presence.

Namely:

	livres
Ten double louis at 40 livres, making 400 livres.....	400
Forty-seven louis d'or at 30 livres, making 1410 livres.....	1,410
Fifty-three Louis d'or at 20 livres, making 1060 livres.....	1,060
Four half louis at 10 livres, making 40 livres.....	40
Two hundred and forty-four écus at 5 livres, making 1220 livres....	1,220
Four thousand twenty-nine pieces of 33 ^s 4 ^d , making 6715 livres....	6,715
Four hundred and thirty-two pieces of 16 ^s 8 ^d , making 360 livres....	360
And two half écus of 50 sols each, making 5 livres.....	5
Total	11,210

Loss of one-fifth on that sum, making a reduction on this day of 2242 livres	2,242
Remaining in the chest 8,968 livres.....	8,968
	11,210
Same total	11,210

The present official minute was made and attested, in duplicate, amounting to the sum of eleven thousand two hundred and ten livres, according to the circulation before the reduction of this day, and of eight thousand nine hundred and sixty-eight livres, according to the said reduction, by which there appears a loss of two thousand two hundred and forty-two livres at the office of the Domain, on the above mentioned year and day.

Signed, Bégon, Cugnet with a paraph, Nouchet with a paraph, and du Sautoy with a paraph.

Copy

[Signed] BÉGON.

DIFFICULTY OF IMPOSING TAXES ON THE COLONISTS

Colonies.

31st October, 1725

Messrs de Longueuil and Bégon

My Lord:

.....
S^r Bégon has caused 2,000 livres to be kept back from the Seminary of St. Sulpice for the present year and 3,000 livres which they owed from preceding years, for the walls of Montreal.

*He has given orders that the other inhabitants of this town are to be compelled to pay what they owe of this tax up to the end of 1721, and what they will owe for the present year—all of which has as yet had no effect.

We have the honour to represent to you that the amount collected in card money, up to the end of 1719, is very small, and that to effect it we have been obliged to take rigorous measures, which have been very expensive; that the difficulty of collecting is the greater at present from the fact that these taxes must be paid in metallic coin. S^r Raimbault,¹ King's Attorney in Montreal who has been entrusted with the duty, begs us to relieve him of it and no person can be found who is willing to undertake it.

The people of this colony are so little used to taxes, and there is so much difficulty and inconvenience in compelling them to pay, that we beg you very urgently to discharge them from it, the profit to be derived not being equal to the ill effects which this collection may produce, the lease of the posts in the

¹ Pierre Raimbault was apparently born at Montreal 1671, and became a notary there in 1699. He was afterwards appointed King's Attorney for the district, in March 1706, and on 15th February 1724 he was promoted from this position to that of special or provisional lieutenant of the district of Montreal, his son Joseph Charles succeeding him as King's Attorney. On the 29th April 1727 he was again promoted to the full judicial position of Lieutenant General or Judge of the district, a position which he held until the time of his death, 16th October 1740.

upper country would be a gentler means, and a more productive prospect for the expenses of this wall.

[Signed] LONGUEUIL [and] BÉGON.

*P. 52: *Marginal note*:—

It is expedient to oblige them [to pay] regularly, year by year, having regard to what they may owe for the time when the cards circulated in the colony. It is not expedient to remit them, thus giving opportunity to all the inhabitants to refuse to pay. It is necessary to act so as to get something from them and not to leave them at rest in this regard, unless they pay regularly every year.

COLONIAL COPPER CURRENCY: COMPANY'S DESIRE TO HAVE MATTER SETTLED

MEMOIR OF THE COMPANY OF THE INDIES FOR THE INTENDANT OF CANADA

.....

The Company sent to S^r de Lotbinière, in the year 1722, 40,025 livres in coins, to be employed in the purchase of beaver, viz:—20,000 livres in silver coin, and 20,025 livres in copper money worth 9^d a piece. He had orders to make his payments half in silver and half in copper, but the refusal, as he claims, to take the money, determined him to use the silver and hold the copper. The Company ordered him in 1724 to request the Intendant to draw up an official minute respecting this money, which had just undergone a reduction in value of one-third, to make clear how the matter stood, and ascertain whether it might not be agreeable to transfer it to the Treasurer, to be distributed in paying the troops. Count de Maurepas wrote in the same sense to M. Bégon, observing to him that he thought that a sum of about 13,000 livres in copper money in a country like Canada could not but be useful in business, the more so as it had been reduced to its intrinsic value.

S^r de Lotbinière having made no reply to the Company, it has not been able to follow up the subject with the Minister.

However, it is not convenient to the Company to leave this sum idle any longer in the Treasury at Quebec. For this reason it very humbly solicits the Intendant to be good enough on his arrival to prepare an official statement of how the case stands, and to say whether he is of opinion that this money can be circulated in the colony, to make a report upon it to Count de Maurepas,

jointly with the Governor General, and to send the official minute of the amount; if not, to order the agent to return the money to France with the official minute.

.....

Done at Paris in the office of the Company of the Indies, May 2, 1726.

The Directors of the Company of the Indies:

Signed: RAUDOT, D'ESPREMENIL, DESHAYES, J. MORIN, FROMAGET, GODCHEU, LE CORDIER, CASTANIER, P. SAINTARD, and BOYVIN D'HARDAN-COURT.

A GENERAL RECOINAGE FOR REVENUE PURPOSES

*Edict of the King, enacting the mintage of new gold and silver coins, given at Marly in the month of January, one thousand seven hundred and twenty-six, registered in the Court of Moneys.*¹

LOUIS, by the grace of God, King of France and of Navarre, to all present and to come, GREETING.

By divers edicts issued in the month of June last, we have provided a solid and assured fund for the successive repayments of the securities giving rise to the interest and other annual charges against our State, and we have likewise allocated different funds to liquidate the arrears of former years; but this sum not being nearly sufficient to provide for the entire payment of the arrears, which are, moreover, considerably augmented by the extraordinary expenses of the preceding year, after having retrenched on pensions, on the household troops, on divers other parts of the expenditure, and even on our own personal expenses, as far as these were susceptible of being reduced, it has appeared to us to be indispensable to provide furthermore the funds necessary to pay off the whole amount remaining due from the past, to give us the untrammelled use of our receipts, and to restore order and precision in our payments for the future; and as the funds arising from the imposition of the fifth are designed solely for the extinction of the capital of the debts of the State, and as it is our intention that they shall be employed for no other purpose, and as it would likewise be burdensome to our people to augment the

¹ This edict was registered and published, 4th February 1726. It sharply reverses the policy of the past two years with reference to the gradual reduction of the ratings of the coins. The edict of 22 September 1724, given at p. 529, had been intended to fix finally the ratings of the louis at 16 livres and of the écu at 4 livres. But, by another decree of 5 September 1725, the ratings were still further reduced to 14 livres for the louis and 3 livres for the écu, and from February 1726, to 12 livres for the louis and to 3 livres for the écu. The ratio of silver to gold under this decree was approximately 14½ to 1. All these adjustments in the coinage had been undertaken to bring it back to a normal basis of intrinsic values for both domestic and foreign trade, and had been accomplished at considerable loss of revenues in Canada. The argument for so sharp a reversal of policy, as given in the above edict, is obviously much laboured, in an effort to offset the injury to trade and exchange which the new policy inevitably involved. Cardinal Fleury became chief minister in June 1726 and under his influence the currency was finally stabilized in accordance with the declaration of June 15, 1726, which adopted as a basis the last alteration of the currency in May 1726 with the mark of gold at 740^{ll} 9^s 1^d, and the mark of silver at 51^{ll} 3^s 3^d. This rating was maintained until 1785.

taxes, or the duties of our *fermes*, or to seek from extraordinary sources, a temporary relief, which would leave a perpetual burden on the State, and cost our subjects double of what is turned in to our Treasury, we believe that the most suitable means in circumstances so urgent and so necessary, is to procure, by a remintage of the currency, the aid which it would be too onerous to seek by any other means.

This expedient appeared to us the more equitable as each individual will contribute in reality no more than a proportion of the cash of which he was the possessor on the day of the reductions decreed by us; as those who were in absolute want of money, so far from experiencing a loss, would find in it, for the most part, a resource which they could not obtain in any other way; as those who only have the cash required for their daily needs, will suffer but a slight loss, which will be considerable only for those who have hoarded large sums, and who are the less to be pitied as they have had frequent opportunities of investing their money safely and with advantage, and consequently they should not impute to any person but themselves the loss they undergo on money which had become unprofitable to themselves and to the public, so long as they made no use of it.

This re-coinage will not have the same inconveniences as those that have been decreed up to the present, since it will only enhance the value of the currency to 41 livres 10 sols for a mark of the new écus, and the other coins in proportion, which is the same rate as that by which we considered it necessary to reduce, and at which to standardize the coins by our edict of the month of September 1724,¹ and which has appeared to us to be the most equitable at which the value may be standardized to avoid the two extremes, equally dangerous, of dearness of provisions and merchandise, and of a deficiency of circulation, equally prejudicial to the state and to trade.

In the profit we shall derive from this re-coinage, which passes into our Treasurer without abatement or expense of collection, we hope to find a relief more than sufficient to settle all past debts, to enable us to meet our payments, and to put us in a position to make them exactly as they fall due; and if, as we have reason to believe, this profit is much greater than the expenses for which we have designed it, we will add this surplus to the produce of the fifth, to increase and accelerate our repayments which we always regard as our principal object and the most important for the establishment of order in our finances, and for the welfare of our people.

For these causes and others moving us thereto, with the advice of our council, and of our certain knowledge, full power and royal authority, we have by our present edict, perpetual and irrevocable, declared, enacted and ordained, and we hereby declare, enact and ordain, we will and it is our pleasure, namely:

Article I. That there shall be struck in our mints new gold and silver coins bearing the designs set forth in the schedule attached under the counter seal of our present edict, namely: louis d'or of the standard of 22 carats, of a tallage of thirty to the mark, and écus of 11 deniers of fineness, of a tallage of 8 $\frac{1}{2}$ to the mark; which coins shall be milled on the edge and shall pass current throughout the extent of our kingdom, and the countries, territories and seigniories within our authority, at the rate of 20 livres a louis, doubles and halves in proportion, and of 5 livres an écu, halves, fifths, tenths and twentieths in proportion.

¹ See p. 531.

II. The workmanship of the said minting shall be done with the weight and legal remedies fixed by our edicts of the month of August, 1723,¹ and September, 1724,² and shall be passed upon in our Courts of Moneys, in accordance with the form prescribed by article 4 of the edict of the month of December, 1719.

III. We decree that commencing from the day of the publication of our present edict, all the older gold and silver coins of the mintage of France or other countries shall be decried from all circulation within the entire extent of our kingdom, and the countries, territories and seigniories within our authority, and shall be taken to our mints to be melted and converted into the coins, the minting of which is hereabove decreed; the value of which coins shall be paid for in cash at the counters of the said mints, as well as of the bullion, at the rate of 536 livres, 14 sols, 6 $\frac{1}{4}$ deniers per mark of fine gold of 24 carats; of 492 livres for the mark of louis, pistoles of the standard fixed by the old ordinances of the Kings of Spain; and of the English crowns of 35 livres 7 deniers the mark, of solid plate, of the hallmark of Paris, of 34 livres 10 sols 3 deniers the mark, of composite plate, of the same hallmark, of 33 livres 16 sols the mark, of new Mexican dollars, and other gold or silver bullion in proportion to its standard, according to the valuations established by the officers of our Courts of Moneys. These rates shall remain in force until the last day of the month of April next; we will that during the said period the said coins and bullion may be received on the same basis by the exchangers settled in the towns and villages of our Kingdom, with the deduction only of their fees as fixed by the last regulations.

IV. That, commencing from the first day of May of the present year, the said coins and bullion will be paid for in our mints and by the exchangers, only on the following basis:—529 livres 1 sol 9 $\frac{1}{4}$ deniers for the mark of fine gold of 24 carats; 425 livres for the mark of louis, Spanish pistoles, Portuguese milreis, and English guineas; 36 livres 10 sols 10 $\frac{1}{4}$ deniers for the mark of fine silver of twelve deniers; 33 livres 10 sols for that of the French écu and of the English crown, as well as of the Spanish dollars and reals; 34 livres 10 sols 3 deniers for the mark of solid plate of the hallmark of Paris; 34 livres 1 denier for the mark of composite plate of the same hallmark, and 33 livres 6 sols for the mark of the new Mexican dollars; the other gold and silver bullion in the proportion of their standard.

V. That on the first day of August of the present year, the said coins and bullion shall no longer be paid for in the mints and by the exchangers except at the following rates; 521 livres 9 sols 1 $\frac{1}{4}$ deniers for the mark of fine gold, of 24 carats; 478 livres, for the mark of louis, Spanish pistoles, milreis and guineas; 36 livres for the mark of fine silver; 23 livres for the mark of écus, dollars, reals, and English crowns; 23 livres for the mark of solid plate of the hallmark of Paris; 23 livres 10 sols for that of composite plate of the same hallmark; and 32 livres 16 sols for the mark of the new Mexican dollars, and other gold and silver metal in the proportion of their standard.

¹ See p. 515.

² See p. 531.

VI. And, in order that trade may not be interrupted, that, on the first day of the month of September following, the said coins and metal shall be accepted in the mints or by the exchangers only on this basis, namely:—506 livres 3 sols $7\frac{1}{4}$ deniers for the mark of fine gold; 464 livres for the mark of louis, Spanish pistoles, milreis, and guineas; 34 livres 18 sols $2\frac{1}{4}$ deniers for the mark of fine silver; 32 livres for that of écus, dollars, reals and English crowns; 32 livres 19 sols 4 deniers for the mark of solid plate of the hallmark of Paris; 32 livres 9 sols 8 deniers for composite plate of the same hallmark; and 31 livres, 15 sols, 8 deniers for the mark of new Mexican dollars, the other gold and silver metal in the proportion of their standard.

VII. Until a sufficient number of the new coins have been made, we will that the louis of $37\frac{1}{2}$ to the mark, and the écus of the last mintage, as well as the écus of ten to the mark, minted or restamped in execution of the edicts of the month of May, 1718, and 1720, shall continue to circulate in trade from the first of February next until the last of April of the present year, the said louis at the rate of 12 livres, and the said écus at the rate of 3 livres, and the halves, quarters and other fractional coins in proportion. We likewise will that, after the said last day of April next, the said coins shall be decried from all circulation, and be subject to the same confiscations as are at present those of preceding mintages according to the former regulations which we desire to be executed according to their form and tenor, as well as those enacted either by ourselves or by preceding Kings respecting counterfeit coining and restamping, the exporting of gold and silver coins and bullion from our Kingdom, and other contraventions respecting the currency.

VIII. And, nevertheless, in order to make it easy for our subjects to relieve themselves of our older coins, and to expedite the collection of our revenues, we desire it to be understood that, during the months of February, March and April of the present year, all the earlier louis and écus, coined in our mints may be received at the offices for the receipt of our revenues, at the following rates: the louis minted before the edict of the month of May, 1709, weighing 5 deniers 6 grains, for 13 livres 7 sols each; those minted in consequence of the edicts of the months of May, 1709 and December 1715, weighing 6 deniers 9 grains, for 16 livres 4 sols; those minted in consequence of the edict of the month of November, 1716, weighing 9 deniers 13 grains, for 24 livres 6 sols; those the minting of which was ordered by edicts of the months of May, 1718, and September, 1720, weighing 7 deniers 15 grains for 19 livres 8 sols; and those of the last minting, weighing 5 deniers 2 grains for 12 livres 18 sols; doubles and halves in proportion; écus, minted before the edict of the month of May, 1709, weighing 21 deniers, for 3 livres 14 sols; those of the mintages of 1709 and 1715, weighing 23 deniers 18 grains for 4 livres 3 sols 6 deniers; those of the mintages of 1718 and 1720, weighing 19 deniers for 3 livres 6 sols; and those of the last mintage for 3 livres 4 sols; without, however, our intending by the terms of the present Article, to make any change whatsoever in what is decreed respecting the confiscations of all decried coins, which confiscations shall continue to be made with regard to all

the said coins, with the sole exception of those which, pursuant to the present Article, are taken to the collectors or receivers of our taxes or dues, and of those found in their houses, which are shown to have come from the receipts.

IX. And, since among the older coins there may be found some which are lighter than the weights mentioned in the preceding Article, we, in such cases, permit the collectors and receivers of our dues, to deduct from the prices fixed for the said coins, that of the weight which is lacking, at the rate of 2 sols 2 deniers per grain of gold, and of 2 deniers per grain of silver; without, however, in such cases, the individual presenting the said coins being obliged to surrender them on the said basis; we will that he may be permitted to take them away, and carry them directly to the exchangers or to our mints.

We give it in command to our loving and trusty councillors, the persons holding our Court of Moneys at Paris; that they cause our present edict to be read, published and registered, and the contents of the same to be kept and observed according to its form and tenor; for such is our pleasure. And, to the end that this may be an act, firmly established for ever, we have caused our seal to be affixed thereto. Given at Marly in the month of January, in the year of grace, one thousand seven hundred and twenty-six, and of our reign the eleventh.

[Signed] LOUIS

By the King.

[Signed] PHELYPEAUX

And underneath.

Visa, FLEURIAU; seen in the council, DODUN, and sealed with the great seal of green wax; and thereafter is written:

Registered in the Court of Moneys, the Attorney General having been heard and requiring it, to be executed according to its form and tenor, in accordance with the decree of this day, at Paris, the fourth day of February, one thousand seven hundred and twenty-six.

[Signed] GUEUDRÉ

And thereafter is also written:

Collated with the original by us, esquire, councillor, secretary of the King, his house and of the crown of France and of its finances.

[Signed] GEOFFRIN.

RATING OF THE GOLD AND SILVER COINS AGAIN RAISED

Decree of the King's Council of State raising the rating of the gold and silver coins and bullion; twenty sixth May, one thousand seven hundred and twenty six.

(Taken from the Registers of the Council of State.)

The King having by his edict of the month of September, 1724, fixed the value of coins at 41 livres 10 sols the mark of écus, and the other coins and bullion in proportion; and the motives which at that time determined His Majesty to fix them at this rate not continuing at present, His Majesty deemed it necessary to have examined in his council the various memoranda

which have been laid before him on this subject: it appeared to him that, as the result of the change of circumstances, the legal tender value of 41 livres 10 sols, at which the coins were fixed by the said edict, was not sufficient for their circulation, which caused a scarcity equally prejudicial to all his subjects and to commerce, so that, in order to restore everything to its just proportion, it was necessary to raise the value of the coins at present passing current; and, with reference to the older gold and silver coins and bullion, since by means of this enhancement His Majesty will be able to derive the same advantage, as he has proposed from the currency, by reducing his profit in favour of the public, even beyond the proportion of the increase, His Majesty has resolved to provide for this.

Having considered the report of S^r Dodun, councillor in ordinary in the royal council, controller general of the finances, the King, being in his council, has decreed and hereby decrees, that, commencing from the day of the publication of the present decree, the louis d'or of the last mintage ordered by the edict of the month of January last,¹ shall pass current for 24 livres, half-louis in proportion; and that the écus, minted in pursuance of the same edict, shall pass current for 6 livres, the halves and other sub-divisions of the écu in proportion; His Majesty decrees that until the first of September next, the mark of old louis shall be received in his mints at the rate of 637 livres 10 sols, and the mark of old écus at the rate of 44 livres and the other gold and silver coins and bullion in proportion; of 695 livres, 9 sols 1½ denier, for the mark of fine gold of 24 carats; and of 48, the mark of fine silver of 12 deniers, according to the valuations, which shall be specified by the officers of our Courts of Moneys; that, on the said first day of September next and until the first of November following, the mark of the said louis shall be received in the said mints only at the rate of 630 livres; the mark of écus at the rate of 43 livres 10 sols, and the other gold and silver coin and bullion in proportion. It is His Majesty's will that on the first of November, the mark of louis shall be received at the mints only for the sum of 623 livres and the mark of écus for 43 livres, the other coins and bullion in proportion; at which rates they shall be paid for by the exchangers located in our towns and villages, subject only to the deduction of the fees fixed for them.

In order to facilitate the opportunity for his subjects of relieving themselves of the older coins, and to expedite the collection of his revenues, the King decrees that commencing from the publication of the present edict, all the older louis and écus and other gold and silver coins struck in His Majesty's mints shall be received in the offices for the receipt of his revenues, at the following rates; louis minted before the edict of the month of May, 1709, weighing 5 deniers 6 grains for 27 livres 6 sols, each; those minted in consequence of the edicts of the month of May 1709 and December 1715, weighing 6 deniers 9 grains, for 21 livres; those minted in consequence of the edict of the month of November, 1716, weighing 9 deniers 13 grains for 31 livres 10 sols; those of which the minting was ordered by edicts of the months of May, 1718, and September, 1720, weighing 7 deniers 15 grains, for 25 livres 4 sols; and those of the last mintage weighing 5 deniers 2 grains for 16 livres 16 sols, doubles and halves of all the said louis in proportion; the écus minted before the edict of the month of May, 1719, weighing 21 deniers for 4 livres 15 sols;

¹ See preceding document.

those of the mintage of 1709 and 1715, weighing 23 deniers 18 grains for 5 livres 7 sols; those of the mintage of 1718 and 1720, weighing 19 deniers for 4 livres 5 sols 6 deniers; and those of the last mintage for 4 livres 3 sols 6 deniers, without, however, His Majesty, by the terms of the present decree, intending to change in any regard what has been decreed respecting confiscation of all the coins decried; which confiscation shall continue to be made respecting all the said coins, with the exception only of those which shall be taken, in pursuance of the present decree, to the collectors and receivers of the taxes and dues belonging to His Majesty, and those which may be found in their houses, and which may be proved to have proceeded from their receipts.

His Majesty, willing that all edicts, declarations and decrees issued up to this day concerning the currency shall be executed according to their form and tenor, in so far as it is not contrary to the present decree, enjoins the officers of his Courts of Moneys, and the intendants and commissaries located throughout the provinces and generalities of the Kingdom, for the execution of his orders, to give their attention to the execution of the present decree, which shall be read, published and posted up wherever necessary.

Done in the Kings Council of State, His Majesty being present, held at Versailles, the twenty-sixth day of May, one thousand seven hundred and twenty-six.

[Signed] PHELYPEAUX.

ADVICE OF LATEST CHANGES IN THE RATINGS OF COINS

Versailles, June 4, 1726.

TO MESSRS DE BEAUHARNOIS¹ AND DUPUY.²

Gentlemen:

I send to you the decree of the Council of State of the 26th of last month³ providing for an increase of 4 livres per louis d'or of the new mintage, and

¹ Charles, Marquis de Beauharnois, Knight of the Military Order of St. Louis, was appointed, on the 10th January 1726, to be Governor of New France, in succession to Vaudreuil, deceased. His first instructions were issued on 7th May 1726 (see C¹¹ I, Second Series, p. 572.) Other instructions in conjunction with those of the intendant were issued 14th May. He took over the office of Governor of New France in September 1726. At the time of his appointment he held the rank of post-captain in the navy, and in 1732 was granted the rank of Knight Commander of the Military Order of St. Louis, and received the Grand Cross of that order in 1738. On the 21st April 1739 the minister promised to recommend him for the position of Vice Admiral, but in May 1741 he was promoted to the rank of Chief of Squadron. In January 1748 he became a lieutenant general, and died 18th July 1749. In the instructions issued in May 1726, the King expresses his anxious desire to promote the interests of France as against those of the rest of the world, particularly of England, then definitely recognized as the most dangerous rival of France. Thus the English are to be prevented from coming into close touch, or friendly commercial relations with the Indians. They must be prevented from building at Oswego, while the French are to be allowed to build at Niagara, and even at Oswego if any post is to be established there. The Indians are also to be encouraged to plunder the English traders when they venture among them. But the Indians naively professed their inability to distinguish between the white traders of different races, hence this instruction had to be withdrawn. The plundering of the whites, however, and especially of the French continued, chiefly through exorbitant demands for presents as the price of the unstable favours of the Indians. The Indians of Acadia were also to be stirred up against the English in order to render their posi-

of 20 sols per écu also of the new mintage, ordered by the edict of the month of January last, which you will find herewith, and which fixes the rate of the

tion there as untenable as possible. He is given particular instructions with reference to maintaining the efficiency of the military forces, both the permanent corps of twenty eight companies and the general militia. As to the governor's dispute with the intendant Dupuy, see the following note. After the recall of Dupuy in 1728 and the appointment of Hocquart the following spring, general instructions were again issued to Beauharnois and Hocquart on the 19th April 1729 (see C¹¹ I, Second Series, p. 752). In these instructions further details are given as to the colonial policy of France, in which is prescribed the closely interdependent relationship between France and her colonies, especially commercial intercourse between New France and the French West Indies, with the most rigid exclusion of foreign trade. In view of the late disputes, the respective spheres of the governor and intendant are more clearly defined. It is observable from these instructions, that Beauharnois had overstepped the balance of his authority more extensively than had Dupuy. From this time on, however, partly owing to the rebukes of the minister, but more particularly to the very agreeable personal qualities and adroit diplomacy of Hocquart, the governor managed to get on very well with the new intendant for the remainder of his long term of office. In the latter part of 1746 it was decided to replace Beauharnois as governor by Sr. La Jonquière, and the commission to the latter was actually issued in the spring of 1747. His naval duties, however, prevented him from taking over the position as governor until 1749. In the meantime Beauharnois remained in Canada as acting governor until September 1747, when he turned over the government of the colony to Galissonnière and returned to France.

² Claude Thomas Dupuy, whose full name and titles are here given, was selected, 23rd November 1725, to fill the position of Intendant, after the untimely deaths of Srs. Robert and Chazel. He assumed office in Canada in August 1726. On 14th May of that year instructions had been issued to the new governor and intendant, Beauharnois and Dupuy. The latter was instructed that trade within the colony was to be made as free as possible, even itinerant pedlars were not to be suppressed. The stringency of the regulations regarding the liquor traffic with the Indians was to be relaxed, to avoid diverting the Indian trade to the British, whose rivalry was developing important political as well as commercial aspects. The relative importance to which the courts of justice were rising is indicated by the instruction, that neither the governor nor the intendant was to interfere in matters falling within the jurisdiction of the courts. On taking over his duties in Canada, the new intendant soon proved to be a person of restless energy and enterprise who took his office very seriously indeed. The fact that nearly all the practical functions of government in the colony, in time of peace, naturally fell under the jurisdiction of the intendant, gave ground for Dupuy's exalting his official position, and scope for his aggressive personal ambition. This left the position of governor one of lofty, though somewhat empty rank and dignity, except in military matters, which were not at the time of vital importance. To secure exclusive official control of the one important practical sphere about which there might be any question as to his personal jurisdiction, Dupuy requested, on the 30th October 1726, the title of Intendant of Marine. The minister pointed out, however, that it was unnecessary to specify this in order to give him such control of marine affairs as might be necessary for his duties in that connection. Dupuy made a very generous use of the intendant's authority to issue ordinances and regulate matters of police. Thus he undertook to regulate matters not generally dealt with by the intendant alone; as, for instance, the trade at the western posts, fixing the price of beaver, regulating the sale of liquor, commandeering timber for bridges, the personal labour of the *habitants* on the highways, etc. The governor, not taking at all kindly to being virtually relegated to an exalted vacuum, intervened in the way of disallowing many of the ordinances of the intendant and insisting on being consulted in all important matters. For the action of Dupuy, in forbidding by ordinance of the intendant the chief justice of Quebec from taking orders from the governor in matters of law, see *Edits et Ordonnances*, vol. II, p. 330. The governor repeatedly summoned the intendant to conferences on official matters. These messages Dupuy at first ignored; but when the governor somewhat rashly threatened to have him brought by force, he flatly defied him, declining to take orders from any authority short of the King. Later he undertook to attend on conditions which he specified, but to which the dignity of the governor could not submit. Once these dissensions between the supreme colonial authorities had reached a condition in which their personal pride and official dignity became the most prominent features in dispute, the more trivial the matters over which they differed the more

other coins. You will take care to have it registered in the Superior Council of Quebec, and to give your attention to its execution.

M. Dupuy, on his arrival, will make an inspection of the chest of the Treasurer, and will prepare an official minute which he will be careful to send me.

STATEMENT OF COINS IN THE TREASURY OF THE DOMAIN AT QUEBEC

Official Minute of Inspection of the Treasury of the Western Domain.

Statement of the coins in the Treasury in the Quebec office of the Domain of the West arising from the receipt of import duties on wines and brandies, on September 2, 1726, the day of the registration in the Superior Council of New France of the edict of the month of January last, which decreed the minting of the new coins, together with the decree of the King's Council of State of May 26, of the same year, raising the value of the gold and silver coins and bullion, which edict and decree were published the same day, September 2, 1726.

NAMELY:—

	Livres
500 écus of the mintage of 1725 @ 4 livres each.....	2,000
639 thirds of écus of the mintage of 1721 @ 26 ^s 8 ^d each....	852
108 thirds of écus of the mintage of 1720 @ 26 ^s 8 ^d each....	144
1 third écu of the mintage of 1718	1. 6. 8.
1 quarter écu of the issue of 1642.....	1. 6. 8.
1 quarter écu of the issue of 1691.....	1. 6. 8.
	3,000

vigorously did they maintain their respective rights. The Bishop interposed in vain, but incidentally involved the clergy in the strife, thereby emphasizing already existing divisions of interests between the Seminary and the Chapter of Quebec, involving also the Ursuline Nuns. The Superior Council was also divided, the majority, however, siding with the intendant, and two of the members were expelled by order of the governor. The minister rebuked both parties, but found it necessary to put an end to dissensions which had become a public scandal and were paralyzing the official administration of the colony. He informed the governor that, while he was at fault in many respects, yet with a view to protecting the royal honour he must be ostensibly supported. Dupuy, on the other hand, was told that he must be recalled: but the minister promised that when he returned to France his interests would not be overlooked. His official recall, dated 31st May, was announced on the 3rd June 1728. After his return to France he was appointed to another office.

³ See preceding document.

On all which specie, as a result of the decree of Council of May 26 last, there is an increase,

NAMELY:—

On the 500 écus of the mintage of 1725, at the rate of 3 ^s 10 ^d , each	87.10. 0.
On the 639 third écus of the mintage of 1721, at the rate of 1 ^s 6 ^d , each	58.11. 0.
On the 108 third écus of the mintage of 1720, at the rate of 1 ^s 6 ^d , each	9.18. 0.
On the third écu of the mintage of 1718.....	1.10.
On the quarter écu of the mintage of 1642.....	3. 9.
And on the said other quarter écu of the mintage of 1691, 3 sols 9 deniers	3. 9.
<hr/>	
Total	156. 8.10.
Which being added to the other.....	3,000. 0. 0.
<hr/>	
Gives a total of.....	3,156. 8.10.
<hr/>	

We, Claude Thomas Dupuy Chevalier, Councillor of the King in his Councils of State, and Privy Council, Master of regular petitions in his palace, Intendant of Justice, Police, and Finance throughout the whole of New France, the islands, and adjacent lands and dependencies, we repaired to-day to the Office of the Domain of the West at Quebec, where S^r Cugnet, Director and Receiver General of the Domain, submitted to us, as the funds in his Chest, the coins of which the above is the statement, arising from his receipts of import duties, which, in consequence of the registration made this day in the Superior Council of Quebec, of the edict and decree of Council above mentioned and of their publication, are found to amount, with the increase, to the above mentioned sum of 3156¹¹ 8^s 10^d, according to the valuations fixed in the said decree, and there were found no coins of the last issue ordered by the said edict, but only those of the years entered in the statement, of which we have prepared the present official minute, at the said office in presence of S^r Nouchet, Controller.

The said S^{rs} Cugnet and Nouchet¹ have signed it with us in quadruplicate, at Quebec, the said September second, one thousand seven hundred and twenty six.

[Signed] DUPUIS CUGNET NOUCHET

¹ Joseph Nouchet, or Nuchet, had been controller in Canada, from 1725, of the Domain of the West. He was doubtless the father of Joseph Etienne Nouchet appointed a member of the Superior Council in 1750.

THE COMPANY OF THE INDIES SHOULD MAKE A MONEY
CONTRIBUTION TO CANADA FROM THE SALE OF
THE COPPER BULLION RETURNED TO IT

Colonies. 14 Oct., 1726.

M. Dupuy

My Lord:

.....
I have remitted to Count Desgoutes the copper coins of the Company of the Indies, which we greatly desire to see applied to the benefit of the colony. It has been a dead investment for the Company for a long time, and as the greater part of the expenses which are incurred here tend to the advantage of the Company, in assuring the concentration in its hands of all the trade in beaver;—which has happened this year by a considerable increase in the receipts, which may be in part attributed to the post at Niagara,—it might not perhaps be impolitic to propose to the Company to make a contribution from this amount, which may even today run up to 14,000 or 15,000 livres in value as bullion, and to remit it in money.
.....

[Signed] DUPUY

14th October, 1726.

REASONS FOR NON-CIRCULATION OF THE COPPER CURRENCY
OF THE COMPANY OF THE INDIES

Canada 20 Oct., 1726

Messrs de Beauharnois and Dupuy

My Lord:

We have received this year the duplicate of your fifth letter¹ to the late M. de Chazel, to which we have the honour to reply.

It relates to the copper money stamped *Colonies françoises* sent to its agent at Quebec in the year 1722 by the Company of the Indies. We have the honour to make several observations to you on this subject.

The first is that it appears that Messrs. de Vaudreuil and Bégon replied jointly on November 2, 1724,² to the letter which you had done them the honour to write to them on the same subject, and as the minute of this reply may have escaped the person whose duty it was to transcribe the reply to the memoir of the King, where it was enclosed, we have the honour to send you a copy so that nothing may be missing for the year 1724, in the course of the replies which Messrs de Vaudreuil and Bégon had the honour to make to you.

We found, as they did, that the impediment to the circulation of this money and the repugnance of the people to receive it, in spite of any effort made to encourage it, consists in the fact that it would not be accepted outside the colony, and that there might indeed be danger in introducing it, since it could easily be counterfeited among foreigners, who, by means of this money, could easily draw off the silver coins from Canada.

¹ See p. 539.

² See p. 537.

That being considered, My Lord, the Company of the Indies, in a private memoir addressed to the Intendant of Canada, having requested him to have an official minute made of it on his arrival and to direct its agent to send it to it, we have been unable to do more than to draw up the official minute of it, of which we have the honour to send you a copy, and to have it placed on the King's vessel to be sent to the agent of the Company of the Indies at Rochefort or Rochelle, and from there to its cashier at Paris.

We have the honour to be, with the most profound respect,

My Lord

Your most humble and obedient servants

BEAUHARNOIS DUPUY

Quebec, October 20, 1726

COPPER CURRENCY RETURNED TO FRANCE¹

Marly, Jany. 7, 1727.

TO THE DIRECTORS OF THE COMPANY OF THE INDIES

Gentlemen,—I wrote in 1724 and 1725 to the Governor General and the Intendant of New France, to put in circulation in Canada an amount of 13,350 livres in copper money, stamped *Colonies*, which the Company had in the hands of its agent at Quebec. As they did not succeed in doing so, I gave the same order last year to the Marquis de Beauharnois and M. Dupuy, who replied that they had found, as their predecessors had, that the impediment to the circulation of this coin and the objection which the people had to receiving it in spite of any attempt made to encourage it, arose from the fact that it would not have any circulation outside the colony, and that there might indeed be danger in introducing it, since it could easily be counterfeited by foreigners, who, under cover of this money could easily draw off the gold and silver coins from Canada; that these reasons, coupled with a private memoir addressed to the Intendant, in which the Company requested him to order its agent to return this money to it, induced them to have an official minute drawn up, of which you will receive a copy herewith, and to have the 10 casks which contain this money embarked on the King's vessel, *The Elephant*, which has arrived at Rochefort.

I considered it my duty to inform you of this so that you may have it all withdrawn if you have not already done so.

SCARCITY OF MONEY: SPECIAL MONEY FOR THE COLONIES

Colonies

The Marquis de Beauharnois.

October 14, 1727

My Lord:

I was told on reaching Montreal that M. Dupuy had gone to some expense in connection with the affair at Choueguen. I spoke of it next day to

¹ Evidently from the minister, Comte de Maurepas.

M. de Boisclair,¹ Controller of the Marine, who told me he had incurred no expense, and if indeed any had been he had not been called upon. I have learned since, My Lord, that the Controller had signed for some expenses, without having been called upon, but I do not know the nature of them.

As the Intendant, My Lord, is undertaking extensive works here, which will be heavily expensive to the King, without knowing where the money is coming from, we run the risk, if he goes on, of not having a penny in the colony. The small amount of money which has arrived this year has left us in a frightful scarcity; every person will find it hard to live. I speak, My Lord, for the officials and soldiers; the poverty among the officials is so great as to be inconceivable. If you would be willing, My Lord, to send the funds for the officials and troops, with an order that they are not to be touched without my knowledge, the misfortune of today would not happen again.² The official, whose pay is very moderate, loses considerably in taking provisions from the merchants on credit. I am no better off than the others, the directors of the Domain and of the Beaver not having a penny in their cash boxes. Some expedient should be found for having money which cannot go out of the colony.³ The idea which has occurred to me is that the King might send out, for some years, 200,000 francs a year which he could pay to the Company of the Indies, which by its contract is obliged to pay ready money and on the spot for the beaver of our *voyageurs*. It ought to make little difference to the Company of the Indies to pay in Canada, since they pay in France, and indeed they are obliged to do so, as I have the honour to observe to you, by their contract. It would be convenient, My Lord, if this money had currency only in the colony, and were stamped with a *die de la Colonie*. This money would then remain in the country, and the use of bills of exchange would go on as usual. The chests of the Domain and of the Company of the Indies would not be empty as they are at present. If, next year, no more money comes than came this, all the King's troops will have nothing to live upon. Such, My Lord, is our situation today.

I have the honour to be, with the most profound respect, My Lord, your most humble and obedient servant.

BEAUHARNOIS

Quebec, October 14, 1727.

Since my letter was written, My Lord, a person⁴ with whom I was chatting about the contents of my letter has brought me a memorandum on the same subject, of which I have made a fair copy which I have the honour to send you herewith.

¹ M. Lanoullier de Boisclerc, q.v.

² This is a fair sample of the mutual accusations which were made by the governor and intendant. As a sample of the intendant's version of the destruction of the colony by the governor, see Dupuy's letter to Elie Faure, *Série F*³, Vol. 11, 28th May 1728.

³ The issue of a special currency for circulation in the colonies alone was just what the West India Company, supported by the French Government, failed to establish; as shown in several of the preceding documents.

⁴ This was evidently M. Cugnet, Director of the Domaine of the West (see p. 579).

SUGGESTIONS FOR DISPOSAL OF COPPER COINS HELD BY THE COMPANY

*Canada**Colonies**Messrs de Beauharnois and Dupuy October 20, 1727**Extract*

My Lord:

We hoped that the Company of the Indies would have returned in good coins the fund of copper bullion which it had here for several years. It is all the same to the Company, and it does not take account of it because it has been off its hands for a long time. It would have been extremely convenient, at least this year with no coins arrived, that it should have sent in cash on the spot the equivalent of these coins to a country in which the King is undertaking so many expenditures as he does for the benefit of the Company; and in which the Company was formerly, and is even still obliged to pay in cash. As only payments on account have been so far made on the expenses of restoring the palace, as well as for the construction of the post at Niagara, it cannot yet be foreseen to what sums the outlay for these works will amount. That is a task which M. Dupuy is going to undertake this year, in order to give you exact information thereupon.

.....

[Signed] BEAUHARNOIS DUPUY

Quebec, 20th October, 1727.