

the 16th ; Gananoque was raided by Americans on the 21st ; the British were repulsed at Ogdensburg on October the 4th ; and several British craft were captured off Black Rock, Lake Erie, on October the 9th.

In the early part of October, however, viz., on the 12th, General Van Renselaer, in command of a considerable force of American regulars and militia on the Niagara frontier, prepared to attack the British at Queenston, opposite Lewiston. He considered his forces ample to secure success. They numbered more than six thousand. The British force on the Western bank of the Niagara river, regular, militia, and Indians, numbered fifteen hundred. The Indian allies, under John Brant, numbered about two hundred and fifty strong. In addition, there was a detachment of the 41st regiment, 380 strong, under Captain Bullock, and the flank companies of the 49th regiment.

The Americans effected a landing, notwithstanding a desperate resistance made by the British, and occupied the heights after a hot engagement, in which the gallant Brock lost his life ; but they were finally defeated and driven over the precipitous banks of the Niagara river at the point of the bayonet. About 1,100 Americans, officers and privates, surrendered unconditionally as prisoners of war.

CHAPTER II.

Meeting of Parliament—Speech of the Governor—Enlargement of the Act—Steamboat service between Quebec and Montreal—Capture of York —Further enlargement of the Act.

The Provincial Parliament of Lower Canada was summoned for the despatch of business on the 29th December, 1812. In the Speech from the Throne, His Excellency Sir George Prevost said :-

" The complete discomfiture of the plans of the enemy for the conquest of Upper Canada, by the capture of Detroit, and by the surrender of the whole invading army with its general ; the brilliant achievement at Queenston, tho' clouded by death in the hour of victory, of the gallant and much lamented Major-General Brock, together with other recent advantages gained over the enemy, both in Lower and Upper Canada, are subjects of sincere congratulations, and demand our fervent acknowledgments to the Great Ruler of the Universe for these undeserved mercies.

" I take also pleasure in acquainting you that the measure of the issue of army bills, for the circulation of which you so promptly and liberally provided during the last session, has been attended with the

happiest effects, both by powerfully aiding His Majesty's Government to meet the extraordinary demands of the present crisis, and by materially facilitating commercial transactions. The experience of four months having fully shown the utility of the measure, I recommend to your consideration the adoption of such further regulations and provisions respecting it, as, upon a review of the Act passed upon this head, and of the present circumstances of the country, may appear to be necessary."

It is manifest, I have said, that the Act to facilitate the circulation of army bills, proved a complete success ; but a much larger amount of notes than that authorized by the Act had been issued during the recess ; and the exigencies of the public service rendered it necessary to resort to a further increase of issue.

At the fourth session of the seventh Parliament holden in Quebec the 29th December, 1812, "An Act to extend the provisions of an Act passed in the fifty-second year of His Majesty's reign, intituled, " An Act to facilitate the circulation of army bills," and to make further regulations respecting the same," was passed, and received the royal assent on the 15th February, 1813. The Act reads as follows :

I. Whereas an Act was made and passed in the fifty-second year of His Majesty's reign, intituled " An Act to facilitate the circulation of army bills ; " And whereas it appears by a message of the Governor-in-Chief to the House of Assembly of the 8th

January, 1813, that the exigencies of the public service have rendered it indispensably necessary for him as Commander-in-Chief to direct an issue of the army bills to be made to a greater amount than two hundred and fifty thousand pounds provided for by the said Act, and that the further exigencies of the public service may render a further issue indispensably necessary ; and whereas it is expedient to subject such army bills as have been so issued, as well as such as may be hereafter issued, to the provisions, regulations, and enactments of the afore-recited Act, and to make further provisions and regulations respecting the same ; Be it therefore enacted by the king's most Excellent Majesty, by and with the advice and consent of the Legislative Council and Assembly of the Province of Lower Canada, constituted and assembled, by virtue of and under the authority of an Act of the Parliament of Great Britain, passed in the 31st year of His Majesty's reign, intituled " An Act to repeal certain parts of an Act passed in the 14th year of His Majesty's reign, intituled, "An Act for making more effectual provision for the government of the Province of Quebec ; in North America ; " " and to make further provision for the government of the said Province, and it is hereby enacted by the authority of the same, that all army bills which have been so issued after the time at which the army bills then issued, amounted to the sum of two hundred and fifty thousand pounds, and each and every of them and all such army bills as

shall be issued during the next twelve months, from and after the passing of this Act, shall be deemed and taken to be within the purview of the Act made and passed *in* the 52nd year of His Majesty's reign, intituled, *An Act to facilitate the circulation of army bills ;*" and that all the provisions, regulations and enactments in the said last-mentioned Act contained, and each and every of them, shall be applied and put in force in respect to all and every such army bills so issued, or that may hereafter be issued, as fully and effectually to all intents and purposes as if the same were severally and separately repeated, and herein recited, and made part of this Act under the restrictions hereinafter mentioned.

II. Provides for the payment out of all and every and any the monies, customs, taxes and revenues this province, and in preference to all other claim and demands whatsoever, all such interest at the rate of fourpence per one hundred pounds per diem, as shall arise and grow due upon all and every and any army bill or bills, which have been issued, or shall hereafter be issued.

III. Provided always that the sum so to be paid out of and from the customs &c. aforesaid, with interest as aforesaid, shall not on the whole and together exceed the sum of fifteen thousand pounds currency per annum.

IV. Provided also, and be it further enacted by the authority aforesaid, that the amount of army bills in circulation as well as those already issued or such as

may be hereafter issued, shall not at any one period exceed the sum of five hundred thousand pounds currency.

V. And be it further enacted by the authority aforesaid, that interest upon such army bills as have been, or shall hereafter be issued, shall run from the day of the date of such bill or bills, until the same shall be paid, and that the holder or holders of every such bill or bills shall be entitled to demand and receive payment of all such interest at stated periods, once in every six months, at the army bill office in the city of Quebec, and further, that public notification shall be given in the Quebec Gazette immediately after the passing of this Act, by order of the Governor, Lieutenant-Governor, or the person administering the government for the time being, of the periods at which such payments shall be made.

VI. And whereas it is expedient in order that the public confidence in such army bills may remain undiminished, that the holders thereof may be assured of the punctual payment of all interest that may become due and payable on army bills ; and whereas the sum of fifteen thousand pounds per annum herein before provided, may not suffice for the full payment thereof on the whole amount of bills so issued or to be issued, Be it therefore enacted, by the authority aforesaid, that the provisions, regulations and enactments of the Act herein before cited, intituled, "*An Act to facilitate the circulation of army bills,*" shall not extend or be construed to extend to a greater

amount of army bills in circulation at any one time, during the next twelve months after the passing of this Act, than two hundred and fifty thousand pounds currency, unless public notification shall be given in the Quebec Gazette within one month after the passing of this Act, by the Commander of His Majesty's forces in this province for the time being, that all such interest as aforesaid shall be paid at the army bill office at the like stated periods.

VII. And be it further enacted, that the five Commissioners heretofore appointed for the purpose of certifying the current rate of exchange, at which bills of exchange on London were and are to be given in payment of army bills, and their successors, or any three of them, shall continue to meet and certify under Oath the rate of exchange in like manner, and that in due execution of their office, as aforesaid, they shall be guided by the fair current rate of bills of exchange at thirty days' sight, and by all such other information as they may be able to procure, so as to enable them to do substantial justice to the holders of such bills, and to the government.

VIII. And be it further enacted, that it shall be the duty of the officer or officers to whom it may appertain as having the direction of the army bill office, to lay before the Commissioners immediately after the passing of this Act, a correct account of the amount of all such army bills as shall then be in circulation, and at each second subsequent meeting of the said Commissioners, a true and correct account

of all such bills as shall have been issued and put into circulation from the date of the last account rendered, in order that the same may be laid before the Legislature, at its next ensuing meeting.

IX. And be it further enacted, that all sheriffs and bailiffs who shall or may receive army bills upon execution, shall be accountable for the interest on all such bills which by them or any of them shall be so received for, and during the time that such bills remain in their hands, to the persons interested therein, and to this end the said sheriffs and bailiffs shall mention in their respective returns, whether they received the amount or any part of the amount of such executions in money or in such bills, and also the day on which they received it.

X. And be it further enacted, that no public officer whatsoever shall profit by the interest on the army bills which may be placed in his hands as such public officer, to be given in payment, and shall render an account of the said interest, annually, on the first day of November, to the Receiver-General to be employed according to the dispositions of the fourth section of the aforesaid Act, passed in the fifty-second year of His Majesty's reign.

XI. And be it further enacted, that the interest for which the Receiver-General and collector and all public officers are accountable to the province, shall be employed and applied in the payment of the interest wherewith the Province is by this Act charged.

XII. Provided always, and be it further enacted, that nothing in this Act contained shall extend or be construed to extend or entitle any holder or holders of any such army bills as aforesaid, as may at any time hereafter, remain unpaid or unsatisfied (save and except the holder or holders of such army bills as were heretofore issued, subsequent to the passing of the Act, to facilitate the circulation of army bills and until the same exceeded in the whole the sum of two hundred and fifty thousand pounds, and which now remain unpaid and unsatisfied) to receive out of or from any monies that may then be in the hands of the Receiver-General of this Province, or from any monies that may hereafter come into his hands arising out of any taxes or duties heretofore imposed or that may hereafter be imposed, levied, or raised by virtue of any Act of the Provincial Legislature, or from the rents and revenues of His Majesty's territorial domains in this province, or from any other monies in the hands of the Receiver-General, payment of any such army bill or bills, as aforesaid.

XIII. And be it further enacted, that should the Governor-in-Chief deem it expedient, to cause the whole or any part of the army bills to be hereafter issued to be signed by any other person or persons, by and under his authority ; public notice shall be given during one month in the Quebec Gazette, of the name or names of such person or persons so authorised, and that all army bills signed by such person or persons, shall be considered as forming

part of the sum of five hundred thousand pounds, at which the whole amount of army bills to be circulated at the same period is hereinbefore limited.

XIV. And be it further enacted, that the sum of five hundred thousand pounds, at which the amount of army bills to be in circulation at one period is limited, such amount may be issued in army bills of one, two, eight, ten, twelve, sixteen and twenty dollars each, as the Commander of the forces may deem expedient and necessary, such bills bearing no interest and payable in cash on demand at the army bill office. Provided always that the amount of such bills, and of bills of four dollars each, shall not in the whole and together exceed the sum of fifty thousand pounds.

XV. And be it further enacted, that it shall and may be lawful for the Governor, as Commander of the forces, to establish such other office or offices at Montreal or elsewhere in the Province as to him may seem expedient and necessary for the payment of all such bills as have, or may hereafter be issued, payable in cash on demand. Provided that the whole expense thereby incurred, together with the expense of the office already established, do not in the whole exceed the sum of two thousand five hundred pounds per annum, appropriated by the Act herein before mentioned.

The following is a copy of advertisement respecting the adjustment of the rate of exchange :

"Quebec, 15th March, 1813.

"The Commissioners appointed by His Excellency Sir George Prevost, Governor-in-chief and Commander of the Forces, in virtue of the Provincial Act of the 52nd year of His Majesty's reign, intituled, 'An Act to facilitate the circulation of army bills,' (the provisions thereof being extended, and further regulated by an Act of the 53rd year of His Majesty's reign) have fixed on the rate of exchange for government bills, at 30 days sight, at twenty per cent for the next fortnight from this date."

N.B.—" The said Commissioners meet every Monday fortnight at io o'clock, at the house of Mr. Blackwood, St. Louis Street, where written communications on the subject of exchange will be received and duly attended to."

The army bills of the denominations \$400, \$100, \$50 and \$25, were signed, as I have already stated, by His Excellency as Commander of the forces, by the Director, and by the Military Secretary, and made payable as provided for in the Act. The four dollar bills were signed by the director of the Army bill office, the Cashier and the military secretary only.

The whole of the bills were deposited in the military chest, from whence they were issued in payment of whatever demands were required to be made on the Commissary-General or Paymaster-General, on account of the public service.

The signing of these bills by His Excellency was apparently found inconvenient, for, under date of 23rd March, 1813, I find the following notice :

" His Excellency has directed that public notice be given, and the same is hereby given, that all such army bills, will, from and after the 24th day of April, instead of bearing the signature of His Excellency the Commander of the forces, be signed under the authority of His Excellency, by James Green, Esquire, director of the said army bill

office, or by the director of the said office for the time being, by the command of His Excellency, and by Louis Montizambert, Esquire, cashier of the said office for the time being, and by those persons only."

And on the 22nd of April, further notice is given as follows :

"And whereas certain army bills now bearing my signature still remain to be issued, and will be issued, notwithstanding the said notification, after the said 24th instant. I have therefore thought fit, by this proclamation, to make known the same, and the same is hereby made known accordingly."

Given &c.,

Signed. GEORGE PREVOST.

In 1813 the passenger traffic or intercourse between Quebec and Montreal was carried on by a line of stages, which set out every morning at four o'clock during the summer season, Mondays excepted ; but in the early part of May a steamer, named the " Swiftsure," was put on the river line. She started from Montreal at five o'clock on Saturday morning, anchored at eight o'clock the same evening near Three Rivers, which she left on Sunday morning at five o'clock, and arrived at the King's Wharf, Quebec, at half-past two ; being only about twenty-four hours and a half under way between the two cities, with a strong head wind all the way. The advertisement sets forth that she is superbly fitted up : " twenty-two berths in the great cabin, each sufficient for two passengers, besides four for ladies in the state room, and a separate room for families. In the steerage, a great number of passengers can be accommodated. America cannot boast a more useful and expensive undertaking by one individual than this of Mr. Molson."

" His Excellency the Governor-in-Chief set out for Montreal on Tuesday afternoon in the Steam Boat."

On March the 20th, 1813, it was announced by the Foreign Office in London that the necessary measures had been taken for the blockade of the ports and harbours of New York, Charleston, Port Royal, Savannah, and of the river Mississippi. There was no lack of energy on either side in the prosecution of the war. Great activity prevailed in the port of Quebec. Between the 5th and 16th of June, sixty-one vessels in all arrived ; twenty-six in ballast, sixteen with general cargoes, five with government stores, and thirteen with passengers and troops ; the troops consisted of the Wattville regiment, the 89th, the 4th ; and one vessel had soldiers belonging to different regiments and some artillery on board. Halifax was also a busy port during the war ; there, ships of war held themselves ready for any emergency ; thither ships of war and privateers took the prizes taken at sea. In the cargo of one prize, the " Marquis de Somerlos," a case containing twenty-one paintings and fifty engravings, shipped by a Mr. J. A. Smith, was found, addressed, *To the Academy of Arts, Philadelphia,* a gift to that institution. The authorities at Halifax released the works of art and forwarded them to Philadelphia, " with the sincerest wishes for the success of the infant society,"—in striking contrast to the conduct of Napoleon, who plundered the National Galleries of Europe, not even sparing the Vatican, and sent the paintings and

statuary to Paris. But time at last makes all things even. "The Transfiguration and the Last Communion of St. Jerome resumed their place in the Vatican ; the Apollo and the Laocoon again adorned the precincts of St. Peter's ; the Venus was enshrined anew amid beauty in the tribune of Florence ; and the Descent from the Cross, by Rubens, was restored to the devout worship of the Flemings in the Cathedral at Antwerp."

The Americans were nothing daunted by the reverse at Queenston. The authorities, as well as the writers, spoke of the death of Brock as equivalent to a victory. At the end of April, 1813, a joint land and naval expedition was organized to capture York (now Toronto) the capital of Upper Canada. The American fleet appeared before the town on the 26th, conveying a land force of 2,500 men. Toronto had for defence, under Major-General Sheaffe, less than 1,000 men, consisting of regulars and militia. General Pike, of the American army, at the head of a division of at least 1,000 strong, landed, in spite of a spirited resistance. The Americans swarmed into the old French fort and harbour defences, fiery with fighting, and flushed with success, when suddenly,—with the crash and concussion of an earthquake,—the powder magazine exploded at their feet, spreading havoc through their ranks. Of the assailants, 250 were instantly killed or wounded,—General Pike amongst the killed ; of the defenders many perished. The contest itself was stayed by the catastrophe ; it had endured eight

hours. The surviving British troops had withdrawn ; all that could be done had been done, and York capitulated through the local officers of militia. Sheaffe left behind him, of regulars sixty-two killed and seventy-two wounded. The Americans kept possession, but evacuated York on the 2nd of May, 1813.*

The complete victory of the Americans over the British at York atoned in some measure for the reverse they had suffered at Queenston Heights. I might now allude to the success of the Americans at sea, to their victory over the British frigate *Guerriere*; to the naval duel between the British ship *Shannon* and the American *Chesapeake*, to the defeat and capture of the latter after a sanguinary engagement ; but it is not my intention to refer to the stirring events of the war, further than may seem to me desirable to show the necessity which existed for the Army Bill Act, and for the subsequent enlargement of its provisions to meet the exigencies of the public service.

Several raids or attacks were made from both sides of the lines with alternate successes and defeats. Among the most memorable were the attack on Sackets harbour by the British, without any satisfactory result ; the capture of Fort George by the Americans ; the subsequent night attack by the British upon the American army encamped at Stoney-creek,

• Colonel Coffin, "1812, Chronicle of the War."

where deadly work was done with the bayonet, in the lurid light of the watch-fires, as the sleepers aroused, rose stumbling and dazed. Two American Generals, caught napping, and one hundred soldiers were made prisoners of war. The rest of the American Army made a hasty retreat, never halting till safe within the works of Fort George. But the most memorable of all the engagements was the battle of Chateauguay in October 1813, when a powerful invading force of Americans, bent upon the subjugation of Lower Canada, was beaten back and signally defeated by a 'small force, consisting chiefly of French Canadian militia, led by Colonel de Salaberry. There was also a minor engagement at Crysler's farm, in which the Americans were defeated.

The expenses connected with the war were so great that it is difficult to conceive how it could have been carried on without the operation of the Army Bill Act. We are, I believe, as much indebted to the authors of that measure for, the preservation of our connection with the British Empire, as we are to the valour of our soldiers and sailors in repelling a cruel and unwarrantable invasion.

The Provincial Parliament again assembled on the 13th of January, 1814. His Excellency Sir George Prevost, after alluding in his Speech from the throne to His Majesty's victorious arms in Europe, said: "In turning our eyes to our own shores, we have abundant cause for gratitude to the Supreme Giver of all good, for the termination of the late campaign in a manner

so glorious to the British arms, and so disastrous to those of the enemy.

"The defeat sustained by him on the Chateauguay, where a handful of brave Canadians repelled a powerful division of his army ; and the brilliant victory obtained by a small corps of observation on the banks of the St. Lawrence, (Crysler's farm) have at the same time upheld the honour of His Majesty's arms, and effectually disconcerted all the plans of the enemy for the invasion of the Province."

On the 25th of January, 1814, the thanks of the House of Assembly were voted to Lieutenant-Colonel de Salaberry, and to the officers and privates under his command in the engagement at Chateauguay on the 26th October, 1813 ; and to Lieutenant-Colonel Morrison of the 89th regiment, and the officers and privates under his command at Crysler's farm on the 11th November.

On the 5th of February, the speaker informed the House that he had received from Lieutenant-Colonel de Salaberry a letter, in return to the thanks of the House to him, which he read.

The letter is a remarkably able composition, of which I cannot refrain from inserting one paragraph :

" In preventing the enemy from penetrating into the province, one common sentiment animated the whole of my three hundred brave companions, and in which I participated, that of doing our duty, serving our Sovereign, and saving our country from the evil of an invasion. The satisfaction arising from our success was to us adequate recompense ; but we now enjoy another of inestimable value, in the distinguished honour conferred in the thanks voted to us by the House of

Assembly. This generous proceeding leaves in our minds an impression, deep, lively, and indelible. The country, through its representatives, evincing itself thus nobly grateful, requites the service of its children with the highest and most flattering reward."

On the 17th of January, 1814, His Excellency sent a message to the House, stating that the exigencies of the public service rendered it necessary that he should direct a further and more extensive issue of army bills. Accordingly an Act, further to extend the provisions of the two Acts for facilitating the circulation of army bills, was introduced.

The preamble runs as follows :-

" Whereas an Act was made and passed in the fifty-second year of His Majesty's reign, intituled, " ' An Act to facilitate the circulation of army bills,'" and whereas, another Act was made and passed in the fifty-third year of His Majesty's reign, intituled, " ' An Act to extend the provisions of an Act made and passed in the fifty-second year of His Majesty's reign, intituled, "An Act to facilitate the circulation of army bills," and to make further regulations respecting the same,'" and that by the fourth clause of the last mentioned Act, it is provided and enacted, that no greater sum than five hundred thousand pounds currency in army bills, shall be in circulation at any one time. And whereas it appears by His Excellency the Governor-in-Chief's message to the House of Assembly of the 17th January, that the exigencies of the public service render it indispensably necessary that he, as Commander of the forces, should

direct a further and more extensive issue of army bills to be made. And whereas it also appears by the accounts of the Director of the army bill office laid before the House of Assembly, that a greater sum in army bills has been and now remains in circulation than the aforesaid sum of five hundred thousand pounds, and that it is expedient and necessary to extend the provisions of the said Acts to all such army bills as now are in circulation, and to a further issue to be made, to make further regulations respecting the same, and also to indemnify all persons concerned in the making and issuing of army bills, over and above the said sum of five hundred thousand pounds ; be it therefore enacted, by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Assembly of the Province of Lower Canada. It is hereby enacted that from and after the passing of this Act, all army bills issued heretofore and now in circulation, or which shall be made and issued at the army bill office in the City of Quebec, from and after the passing of this Act, until the first day of February, 1815, shall be deemed and taken to be within the purview of the Act made and passed in the fifty-second year of His Majesty's reign, intituled, "An Act to facilitate the circulation of army bills," subject, nevertheless, to the restrictions contained in the Act made and passed in the fifty-third year of His Majesty's reign, intituled, "An Act to extend the provisions of an Act made and passed in the fifty-second year of His Majesty's

reign, intituled, "An Act to facilitate the circulation of army bills," and to make further regulations respecting the same," and that all provisions, regulations and enactments in the said Acts contained, (save and except as aforesaid) and each and every of them shall be applied and put in force in respect to all and every such army bills so issued, or that may hereafter be issued, as fully and effectually to all intents and purposes as if the same were severally and separately repeated, and herein recited and made part of this Act, in so far as the said provisions and enactments are not hereinafter altered or repealed.

II. Provided always, and be it further enacted by the authority aforesaid, that the amount of army bills in circulation, as well those already made and issued as such as may hereafter be made and issued, shall not at any one period exceed the sum of fifteen hundred thousand pounds, current money of this province.

III. And whereas it is essential for the security of the persons who may become possessed of army bills to be issued as aforesaid, and in order to assure to such persons the advantages conferred on the said bills by this Act, and to promote the public confidence in the said bills, that the aforesaid limitation prescribed to the issue of the said bills shall be strictly adhered to, and under no circumstances infringed ; Be it therefore enacted, by the authority aforesaid, that the Director of the army bill office, the Cashier of the said office, and any other officer or

44 *Further Enlargement of the Army Bill Act.*

officers concerned in the making, signing and issuing of the army bills to be issued as aforesaid, for the time being, shall in no instance and under no circumstances whatever, make, sign or issue any such army bill or army bills, when and so long as the army bills in circulation shall amount in value to, and not be less than fifteen hundred thousand pounds, current money of the Province ; and that if the said Director of the army bill office, the Cashier of the said office or any other officer or officers concerned in the making, signing or issuing of army bills so to be issued as aforesaid for the time being, shall make, sign, or issue any army bill or army bills after the said army bills already issued and to be issued and in circulation at the same time, shall amount to fifteen hundred thousand pounds, such Director of the army bill office, Cashier of the said office, and other officer or officers concerned in the making, signing, or issuing of army bills beyond that amount, shall thereby be rendered incapable of serving His Majesty, in any office, civil or military in this Province ; and shall moreover severally and respectively forfeit to His Majesty, his heirs and successors, the amount of all such army bills as shall have been made, signed and issued over and beyond the said limitation of fifteen hundred thousand pounds, to be recovered by action of debt, bill, plaint or information in any of His Majesty's courts of Record in this Province ; one moiety whereof, when recovered, shall be to and for the use of our Sovereign Lord the King, his heirs and

Further Enlargement of the Army Bill Act. 45

successors, and the other moiety thereof (with all costs of suits) to and for the use of such person or persons as shall inform or sue for the same ; and that in default of goods, chattels, land and tenements out of and from which the money so forfeited may be levied, such Director of the army bill office, Cashier, officer or officers as aforesaid, against whom judgment may be rendered for the money so forfeited, shall be taken and conveyed into the common gaol of the district in which such judgment shall be rendered, and there detained, until he or they, respectively, do pay the amount of such judgment, any law, usage, or custom to the contrary notwithstanding.

IV. And be it further enacted by the authority aforesaid, that each and every of such army bills, as aforesaid, shall and may be received and taken, and shall pass and be current to all and every the collectors and receivers in this Province of Lower Canada, of the customs or any revenue or tax whatsoever already due or payable, or which shall or may hereafter be granted, due or payable to His Majesty, his heirs and successors, under and by virtue of any Act of the Parliament of Great Britain, or of the Provincial Parliament or otherwise ; and also at the office of the Receiver-General of this Province, from the said collectors and receivers, or from any other person or persons, bodies politic or corporate whatsoever making any payments whatsoever to His Majesty, his heirs and successors, for, upon any account, causes or occasion whatsoever, and that the same in the hands

46 *Further Enlargement of the Army Bill Act.*

of such collectors and receivers, and in the hands of the Receiver-General of this Province, shall be deemed and taken as if paid in the gold or silver coin passing current in this Province, and as such, shall be charged against and credited to such collector and receiver, and to such Receiver-General as aforesaid, respectively, in their respective accounts with each other, and with His Majesty, his heirs and successors.

V. And be it further enacted by the authority aforesaid, that the interest which from time to time shall be due upon any such army bill, as aforesaid, shall be allowed to all persons, bodies politic and corporate, paying the same to the Receiver-General of this Province, or to any collector or receiver of any of His Majesty's customs, revenues or taxes up to the respective days whereupon such bill or bills shall be so paid ; provided always, that every such Receiver-General, collectors and receivers as aforesaid, shall be accountable for the interest on every such bill by them or either of them received, for and during the time during which such bill shall remain in their hands.

VI. Imposes penalty on forging bills, and provides that such person or persons so forging and offending, being thereof lawfully convicted, shall be adjudged a felon, and shall suffer as in cases of felony, without benefit of clergy.

VII. Sets forth the penalty in persons stealing army bills.

VIII. Enacts that contracts shall be void in which

Further Enlargement of the Army Bill Act. 47

any distinction shall be made between army bills and cash.

IX. Provides that no arrest shall be made if a tender in army bills be made.

X. No attachment shall issue if there be not an affidavit of no tender in army bills.

XI. On *capias ad sati sfaciendum*, a deposit of the debt and costs in army bills shall stay proceedings.

XII. On *fieri facias*, etc., a deposit of the debt and costs in army bills shall stay proceedings.

XIII. And be it further enacted by the authority aforesaid, that of the amount of army bills now in circulation, and hereafter to be issued •a sum no less than two hundred thousand pounds, and not exceeding five hundred thousand pounds, shall be in bills of one, two, three, five and ten dollars, such bills payable as those of larger denominations, in bills of exchange on London, and not bearing interest, and that the holders of such bills shall be entitled to demand, and receive at the army bill office on demand, army bills of fifty dollars and upwards, bearing interest for the amount of all such bills.

XIV. And be it further enacted by the authority aforesaid, that during three months, to be computed from the passing of this Act, it shall and may be lawful to and for all and every person in possession of army bills of the value of twenty-five dollars only, bearing interest to have and receive at the army bill office on demand, bills of one, two, three, five and ten dollars, in exchange for such army bills of twenty-

48 *Further Enlargement of the Army Bill Act.*

five dollars, together with the interest due and payable thereon, up to the day of making such exchange. Provided always that the Director of the army bill office, or those employed under him, in exchanging the said army bill, shall not, during the said three months next after the passing of this Act, be bound so to exchange such army bills to a greater amount in any one day than that of two hundred and fifty pounds ; provided also, that the same person shall not, in any one week, require to be so exchanged, more than one army bill of twenty-five dollars, bearing interest as aforesaid.

XV. And be it further enacted, that it shall be the duty of the officer or officers to whom it may appertain, as having the direction of the army bill office, to lay before the commissioners immediately after the passing of this Act, a correct account of the amount of all such army bills as shall then be in circulation, and at each second subsequent meeting of the said commissioners, a true and correct account of all such bills as shall have been issued and put in circulation from the date of the last account rendered, in order that the same may be laid before the legislature at its next ensuing meeting.

XVI. Provided always, that nothing in this Act contained, shall extend or be construed to extend to entitle any holder or holders of any such army bills as aforesaid, as may, at any time hereafter remain unpaid or unsatisfied save and except the holder or holders of such army bills as were heretofore issued,

Further Enlargement of the Army Bill Act. 49

subsequent to the passing of the " Act to facilitate the circulation of army bills," and until the same exceeded, on the whole, the sum of two hundred and fifty thousand pounds, and which now remain unpaid and unsatisfied, to receive out of or from any monies that there may be in the hands of the Receiver-General in this province, or from any monies that may hereafter come into his hands, arising out of any taxes or duties heretofore imposed, or that may hereafter be imposed, levied or raised by virtue of any Act of the Provincial Legislature, or from the rents and revenues of His Majesty's territorial domains in this province, or from any other monies in the hands of the Receiver-General, payment of any such army bill or bills as aforesaid.

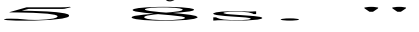
XVII. And be it further enacted, that the director of the army bill office, and all and every person or persons aiding or assisting him in the issuing of army bills over and above the sum of five hundred thousand pounds, as limited by the Act fifty-third, George III., Ch. III., shall be freed, discharged and indemnified as well against the King's Majesty, his heirs and successors, as against all and every other person or persons, of, for, or concerning the making and issuing of all, any and every such army bills, as shall have been so made and issued beyond the said limitation.

The pacification of Europe did not now appear to be a remote issue. The disastrous defeat of the French army at Leipsic, and subsequent reverses, had weakened the resources of Napoleon. The

alliance between Austria, Russia and Prussia, proved a too formidable combination for him to cope with. Wellington was driving Soult from Spain, and British troops entered France on the 7th October, 1813. Paris surrendered to the allies on the 31st of March, 1814. The abdication of Napoleon was negotiated at Fontainebleau on the 5th of April, 1814. Louis the XVIII. arrived in Paris on the 3rd of May, and on the 4th, Napoleon embarked on board the British frigate *Undaunted*, an exile for Elba.

Great Britain, in prolonged conflict with France and her allies, under so great a leader of armies as Napoleon, had become burthened with a heavy debt. The bank of England had suspended specie payments. Gold in relation to the currency of the realm was at a high premium.

In October, 1813, the ounce of standard gold stood at 5 9s. currency.

In March, 1814,		5 9s.
In April, "	" "	5 5s.
In June, "	" "	4 los.

and the average price for the months of September, October, November and December, was 4.7s. currency.

From February, 1814 to July 1814, the rate of Exchange on London in Quebec for 30 days sight bills, was announced by the commissioners from time to time at 19% discount, but the prospect of peace sent the rate down. The rate of exchange in those days was not governed by the balance of trade, but by the issue of battles.

In August 1st, 1814,	the discount was	16%.
" 15th,	"	14%
" 29th,	"	"
Sept. 1st,	"	10 ^o / _p
Oct. 11th,	"	87.
" 24th,	"	"
Deer. 6th,	"	25c/.

The escape of Napoleon from Elba, on the first of March, 1815, and the consequent apprehension of a renewal of hostilities, sent the price of gold in England again up to 5.7s. ; and in sympathy with the fall in the value of current money in England, the discount on bills of exchange in Canada rose in July to 15%, but rallied towards the end of the month, when the rate was quoted at 10% discount.

On the 21st of January, 1815, at one o'clock, His Excellency the Governor-in-Chief came down in state to the Legislative Council to open the first session of the eighth Parliament. The Gentleman Usher of the Black Rod was sent down to the Assembly to command the attendance of that House, and the members being present, the Honourable Speaker of the Legislative Council signified His Excellency's pleasure that they should return and choose a fit person to be their Speaker, and present him to His Excellency on Tuesday the 24th, at one o'clock.

On that day, His Excellency being seated on the throne, and the Assembly, with Mr. Papineau, their speaker elect, being in attendance below the Bar, the Honourable the Speaker of the Legislative Council

expressed His Excellency's allowance of the choice of the House of Assembly.

In the Speech from the throne, His Excellency alludes to the reinforcements he had received from His Majesty's Government, which enabled him to diminish the pressure of war on the inhabitants of the Province—and also to the demands of " the public service continuing various and large," and that he looks to Parliament for continued exertions to meet them,—for a renewal of a productive revenue bill, and of such of the provisions of the army bill act, as it shall be deemed expedient to adopt for the future.

With reference to the " Act to facilitate the circulation of army bills " and the two subsequent Acts extending the provisions thereof, I may remind my readers that the original act provided that a sum of fifteen thousand pounds should be forthcoming from the Provincial Exchequer, for the payment of interest on the first issue of army bills, amounting to two hundred and fifty thousand pounds, and also provincial security for the ultimate payment of army bills to that amount, if such army bills should remain unpaid at the expiration of five years.

The first Act to extend the provisions of the original Act, which authorizes an increased issue of army bills to the amount of two hundred and fifty thousand pounds currency—the whole issue not to exceed five hundred thousand pounds, limits the whole provision for interest to be paid out of the Provincial Exchequer to fifteen thousand pounds

currency per annum, and gives no security or pledge for the ultimate payment of army bills beyond that for the first issue of two hundred and fifty thousand pounds.

I big The second Act to extend the provisions of the original Act, authorizes an issue, in all, of fifteen hundred thousand pounds ; but gives no security for the payment of interest on any amount of army bills in excess of two hundred and fifty thousand pounds as set forth and authorized in the original Act of 1st of August, 1812.