

have to bear under Canadian rule, it was hastily determined to keep Mr. McDougall out, until at least they obtained guarantees for the "rights" which they feared were going to be arbitrarily taken away.

After an attentive consideration of the facts, we believe the insurrection to have arisen from these causes, and this leads us to say that there has been serious blundering somewhere.

The whole trouble—the end of which it is now impossible to foretell—might, we strongly think, have been prevented with the exercise of a little care and prudence. Had the French half-breeds known what our Government really intended to do, it is doubtful if they would not have welcomed Governor McDougall and party instead of driving them across the lines. Had they known that the first council would contain prominent local men—that they would soon have a local government elected by the people—that their rights to their lands would be sacred—and that any taxes they would require to pay would be trifling, the only reasons they give for arming would have had no existence.

It was wretched management, to say the least of it, that the Government had not widely disseminated such information throughout the territory, or at least taken steps to ascertain what the exact feelings of the people of Red River were. But nothing of the kind seems to have been done. It is a most remarkable thing that the President of the Council, Mr. Howe, did not discover that trouble was brewing when he was at Fort Garry, and that our Government drifted right on to the rocks without ever a note of warning being raised. That "somebody has blundered" seems as plain as that two and two make four.

So much for the past. Now, what of the future? That the condition of affairs is serious, there can be no doubt. We do not, however, regard it as alarming, unless it be that filibusters go in from the United States, and Bruce and Riel are induced to change their policy in favour of Annexation. But danger is undoubtedly serious, and the most skillful management is required on the part of our Government. There is room for difference of opinion about our paying over the £200,000 to the Hudson's Bay Company. The Government chose to delay the payment. We incline to believe, considering the almost absolute necessity of our possessing the North-west territory, that it would have better not to have faltered, but to have gone on and completed the bargain with the Hudson's Bay Company as if nothing had happened. We entertain strong hopes that the good offices of Vice-General Thibault and Colonel DesSalaberry will bring about an amicable arrangement. If the leaders of the insurrection have no other objects than those they announced to the world, we cannot see what can prevent a proper and satisfactory understanding being arrived at.

We counsel the adoption of the most peaceful and conciliatory measures. The Government might do well to make the matter the subject of legislation during the approaching session. It might be well to grant the settlement representative institutions at once, although it is evidently ill prepared for them. Such a course, however, would place Bruce and Riel clearly in the wrong in giving further resistance, and would cause every man, not disloyal, to accept the situation. In any event, we must hold the territory. It is doubly ours—ours by right, and ours by purchase of the Hudson's Bay Company's salary. If the insurrectionists will not listen to reason, if they mean rebellion in earnest, then either the British Government or that of the Dominion, will have to interpose its authority. This is certainly a most disagreeable, not to say hazardous duty; but it is simply absurd to suppose that a handful of half-breeds are to wrest from the British empire a quarter of the North American continent.

We would fain hope things will not come to such a pass. Better will it be for us to conciliate and concede much, rather than a drop of blood should be spilt. But at the same time, it may as well be understood first as last, that the retention of the North-west is absolutely necessary, if the Dominion of Canada is ever to become a new nationality, and that we are determined to hold it, whatever may be the cost or the consequences.

The whaling fleet was a failure last year. The ships from Boston, Provincetown, Salem, Barrely and Newburyport, the cruising ground of which was in the Atlantic Ocean, secured a net loss to their owners the past year of \$200,000. This discouraging result, says the Boston Journal, will probably lead to the withdrawal of a number of vessels from the business, if purchasers can be found for them.

## MOVEMENTS OF BREADSTUFFS.

THE following statement shows the comparative shipments of flour and grain from the lake ports, including those by rail (excepting Cleveland) from the opening of navigation, to and including the 31st of December, 1853, and for the corresponding period last year viz:—

	1853.	1852.
Flour, bbls .....	2,825,141	2,611,018
Wheat, bush .....	31,079,449	21,627,113
Corn .....	21,720,831	25,501,661
Oats .....	8,629,739	13,897,361
Barley .....	382,791	265,682
Rye .....	416,954	1,825,437
Total grain .....	63,614,765	63,090,192

The following statement shows the quantity of grain "in sight" on January 1st, and on the other dates indicated.—

	Wheat.	Corn.	Oats.
In store at—	bush.	bush.	bush.
New York .....	4,583,231	672,111	1,907,679
Buffalo .....	867,125	91,900	155,400
Chicago .....	2,367,285	687,806	658,867
Milwaukee .....	1,681,000		
Toledo .....	374,629	75,067	71,153
Detroit .....	59,759	8,725	6,972
Cleveland .....	748,070	155,239	2,000
St. Louis .....	289,725	561	1,978
Rail shipments from Chicago, Milwaukee and Toledo for the week .....	35,965	84,056	16,231

	Wheat.	Corn.	Oats.
Total in store and in transit on—			
January 1 .....	11,348,330	1,675,882	2,332,280
December 13 .....	9,644,249	1,431,639	2,101,183
December 11 .....	9,131,861	1,585,193	2,108,068
December 4 .....	8,644,391	1,689,743	2,377,895
November 27 .....	8,664,162	1,765,595	1,977,377
November 20 .....	8,252,053	1,963,181	1,994,275
November 13 .....	7,489,613	2,240,255	1,823,644

—American Paper.

## DOMINION TELEGRAPH COMPANY.

THE annual meeting of the shareholders of the Dominion Telegraph Company was held on Tuesday the 11th of January, (afternoon) at the Regatta House. The chair was taken by the President, Hon. Wm. Cayley, at two o'clock, and Mr. H. J. Colles acted as Secretary. There were between thirty and forty gentlemen present. The following directors were in attendance: Hon. M. C. Cameron, Treasurer; Hon. J. McMurich, Hon. J. H. Cameron, and Messrs. Lewis Moffatt, James Mitchell, Toronto; Anthony Copp, Hamilton, and Sylvester Neelon, St. Catharines.

### ANNUAL REPORT.

The directors beg to submit their second annual report, as follows:—

In the former report of the directors presented to the subscribers, the particulars of the contract which had been entered into with Mr. Reeve for the construction of a telegraph line with its offices, instruments, &c., complete at a mileage rate, embracing the contract, also connection which had been made by him with two American telegraph companies whose lines traversed the neighbouring States. Under that contract the line from Suspension Bridge to Toronto was constructed and placed in operation. Soon after, however, it became apparent that Mr. Reeve was not in a position to carry on the work in accordance with his arrangements, and on the 1st of Sept. last engagement was come by which the Dominion Company were enabled to resume the control of the line so far as it had been constructed, and throw open its further prosecution to public competition.

Numerous tenders were sent in reply to the advertisements of the company for the extension of their lines east and west, but owing to the lateness of the season it was deemed advisable to limit the work to the eastern section. The line from Whitby to Oshawa was placed under contract and completed when further operations were interrupted by the approach of winter. It may not be out of place that the directors under whom the earlier part of the work had been undertaken, should place before them the order in which in the interests of the public, and, as a natural sequence of the company, they thought the work should be proceeded with. The extension of the line to Montreal and Ottawa they considered to be of primary importance; next in order the extension westward to London, Windsor and Detroit, with a loop through Galt, Guelph and their surroundings, then from Toronto to Barrie, Port Hope and Peterboro' to be followed with even further extensions as the importance and commercial value of the several localities to be reached would justify.

That the difficulties attendant on the conception of every new enterprise, and in the present instance of no ordinary magnitude, have been successfully combated, the directors are sanguine enough to believe, and they resign their trust in perfect confidence that those to whom the future management of the enterprise shall be committed will carry on the work to a prosperous issue, and justify to the fullest extent the expectations of those who have embarked in it, establish-

ishing it to be a sound, legitimate and successful enterprise.

The Treasurer will place before the meeting a financial statement of the affairs of the company.

### TEASURER'S STATEMENT.

The chairman then read the Treasurer's statement as follows:—

Paid on 1st instalment (5 per cent.) .....	\$7,167.60
RECEIPTS.	
Paid on 2nd instalment (10 per cent.) .....	\$6,200.00
Do 3rd do .....	3,250.00
Do 4th do .....	2,445.00
Investments paid in advance .....	1,955.00
Total .....	\$21,017.60

### DISBURSEMENTS—CHARGEABLE TO CAPITAL ACCOUNT.

Paid to 3y its collecting subscriptions .....	\$4,263.00
Paid preliminary expenses .....	2,942.00
April 2nd, to S. Reeve .....	5,000.00
Sept. 1st, do .....	3,000.00
Dec. 11th, do .....	1,600.00

Nov. 21st, to S. Reeve Paid H. H. Colby, on account eastern section .....	390.00
Paid accounts from 1st Sept., 1853, to 10th January, 1854, including furniture, battery instruments, travelling expenses, and interest .....	183.80
Paid head office accounts from 1st of September, 1853, to 10th of January, 1854, including salaries, postage, advertising, printing, fuel, and petty cash account .....	302.99

### CHARGEABLE TO REVENUE ACCOUNT.

Paid loss on working offices, including rent, salaries, messengers, &c. ....	218.23
By cash in Bank of Commerce to credit of Treasurer .....	381.34
Dr to cash due to Secretary .....	27
Total .....	\$21,057.60

Amount liable by subscribers who have paid one or more calls—	
250 shares at \$50 per share .....	12,500.00
And one or more instalments to amount of .....	21,057.60
Amount of liability .....	122,293.60

Amount liable by subscribers who have paid two or more calls—	
1250 at \$50 per share .....	62,500.00
And two or more instalments to amount of .....	10,900.00
Amount of liability .....	45,010.00

### LIABILITIES OF THE COMPANY.

Due on the old contract .....	\$15,150.00
Due on the new contract .....	3,220.00
Total .....	\$18,370.00

The chairman then made a few observations, pointing out the importance of pressing the work forward with vigour in the direction of Ottawa. All must be impressed, he remarked, with the importance of connecting the great centres of trade.

The chairman, in reply to a question, stated that at roughly estimating the distance between Oshawa and Ottawa, via Prescott, at about 300 miles, it would take some \$20,000 in cash to complete the line, and he believed it could be constructed by the 1st of July next.

A general conversation ensued conducted in a great spirit of unanimity, and concurring in the desirability of a strong and united effort for prosecuting the work with energy. Several questions to bring out more clearly the details of the expenditure already incurred and explanations given appeared to afford general satisfaction.

The reports were then adopted.

An informal discussion ensued as to the choice of directors for the ensuing year, at the close of which Hon. J. H. Cameron moved, seconded by Mr. Norris, that the board be composed of five members from Toronto, two from Hamilton, one from Oshawa, and one from St. Catharines.

The motion was carried.

### ELECTION OF DIRECTORS.

Seventeen were then appointed and the election of directors was proceeded with. The following gentlemen were subsequently reported duly elected:—Mr. A. B. McMillan, Hon. John McMillan, Mr. L. Moffatt, Mr. J. Noble, and Hon. W. Cayley, Toronto; Mr. T. N. Gibbs, Oshawa, Mr. Sylvester Neelon, St. Catharines, and Mr. J. J. Mackenzie and Mr. Anthony Copp, Hamilton.

NEW YORK SHEEP MARKET.—In its annual review of the New York live stock market, the *World* says:—

The sheep trade has been no better than the trade in beef and cattle; and although we have no important failures to record, it is a well-known fact that it has been one of the least profitable years to all concerned in the slaughtering of sheep and the sale of mutton. Good sheep have been in fair demand throughout the year at fair prices, but inferior and common stock has been crowded upon the market greatly in excess of any demand for such stock and butchers have taken it off the hands of sellers at low figures, but sold at low enough for a profit on the sale of the mutton. During the past few weeks we have had an unusual number of heavy, well-fattened sheep, chiefly from Canada, and it is hoped that the encouragement given by the increased prices paid for these fine sheep will induce a more general attention to the breeding and fattening of mutton than has hitherto been the case.