

OUR MIDNIGHT DESPATCHES.

Budget Office, Dec. 10.
Saturday morning, 5 a. m.

VIA MONTREAL LINE.

(Special to Quebec "Budget.")

THE CABLE DAMAGE.

THE LINES SERIOUSLY IMPERFECT.

WAR FEELING IN RUSSIA.

We prefer publishing a brief summary of our European and American midnight despatches than give the contents of five long letter sheets of a great deal of useless stuff:

SUMMARY.

Gold 110½.

All efforts to repair either of the *Atlantic cables*, has thus far been unsuccessful. The tariff in consequence will be advanced to \$15 for 10 words.

The German loan of £4,000,000 is to be allotted to subscription in London.

The King of Prussia is urged by the provinces to assume the title of Emperor of Germany.

The "London Times" thinks as little of the President's message has of his predecessors, and says that the document marks another stage of presidents downward career.

Queen Isabella has protested against election of the Duke of Aosta as King of Spain.

Bismarck is to treat South German treaties as cabinet questions.

The latest Parisian news, by balloon, dated 6th inst., reports no military operations of importance have occurred since 3rd instant.

The army of the Loire is divided into three corps.

A letter from St. Petersburg, says:—Warlike feeling prevailing over whole empire. Gortschakoff's circular created universal feelings of joy at Sebastopol. The Emperor of Prussia has ordered his army to be in readiness for any emergency. This measure has not been resorted to since Crimean war. Russia is committed to hold the line of conduct and is resolved to carry it out in spite of all opposition. 40,000,000 Rubbles is to be devoted to extraordinary war expenses.

Montreal, Dec. 9.

Ryan and O'Rourke who broke from the Court house cell were yesterday recaptured in a city tavern.

Weather mild; snow of the morning has entirely disappeared.

Toronto, Dec 9.

The extradition of Harry Hans for highway robbery in Buffalo is now under final decision.

The Future Commercial Policy of British North America.

BY THOMAS H. GRANT, Esq.,

SECRETARY OF THE QUEBEC BOARD OF TRADE.

"PROTECT INDUSTRY, AND IT WILL PROSPER."

(Continued from our last issue.)

It will be conceded, without argument, that we are deficient in capital; and this is one of the chief obstacles we have to contend with. England, on the contrary, has more money than she can profitably employ at home, and is obliged to seek investment abroad. In England, too, money can be obtained at less than one half what it can be procured for in Canada. In France, a mechanic of small means and good character can obtain a loan from the Bank of France, the Savings Department of that institution having been especially established by the Emperor to facilitate the enterprise, and encourage the industry of the respectable artisan. To-day there is not sufficient capital in British America for its legitimate wants, and in a number of instances many a promising undertaking has failed through want of means to support it. From this cause, competition amongst ourselves—a most desirable thing to cultivate—has been suspended, and in several branches of trade there is to be found an almost entire monopoly.

As regards labour, and skilled labour, especially the manufacturing nations of Europe have a decided advantage over us. The amount of poverty prevailing everywhere, the number of poor-houses and benevolent societies existing in all the chief cities, are convincing proofs that the supply of labourers far exceeds the demand; and, in Germany and England particularly, the wages which the workman receives are so small as barely to enable him to keep body and soul together. As regards the cost of production labour is the chief item, and this is obtained at so low a rate from amongst the teeming populations of the old world, and England especially, that competition is reduced to a minimum. In British America there is no absolute scarcity of labour; but, owing to the superior condition of the people, the effect of constant high wages in the United States, and the numerous and varied resources open to the working man on this continent, he can always command a much higher rate of wages. Thus, in addition to the scarcity of capital, or the excessive rate of interest, which the manufacturer is compelled to pay for its use, he has to contend against the additional disadvantage of a much higher rate of wages. This, however, is not a matter of regret; for if the manufacturing interests on this continent are to be fostered by sacrificing the comfort and happiness of the artisan, as they are in the old world, it were better we had no manufactories at all.

Such, nevertheless, are the difficulties they have to encounter at present, that if the existing protection were removed, a reduction of wages would be the immediate result; and with heavy annual expenses and a large public debt, which Confederation will rather increase than diminish, there is no possible chance of relief by a reduction of the duties upon imports. There is also, in connection with this subject, a question of skilled labour. During the last twenty years a marked revolution has taken place in the quality of the labour employed in the factories of the world. Industry is not now supported by mere manual

labour, but by a combination of intellect. The principles involved in manufactures are taught in schools, which are to be found in every town in Europe; while such metropolises can boast of an industrial university, teaching the application of science as applied to manufactures. In England, foreign talent has been employed to a great extent, and skilled artisans from France, Belgium and Germany may be found in all the chief factories of Manchester, Birmingham, Sheffield, &c. In the present state of our manufacturing interests, we cannot afford to import skilful men to perform part and pay them liberal salaries, and even to teach them the principles of the science of manufactures, which will qualify them to originate improvements in machinery, skill and execution. For a time, therefore, we must be content to follow and imitate others, and our capital abroad as a guarantee to that intellectual progress which we should enjoy at home. Here, then, in another barrier to the successful development of our industrial interest, and our absolute free-trade policy—and it is a barrier so formidable that it becomes the duty of the Government to remove it, if they would promote the future prosperity of the country. An able writer of the present day says, on this question:—If the main object of life were to educate *literati*, I would not dispute the wisdom of making classics the groundwork of our education. They are not utterly dead, but, like the dry bones of the valley, they may come together, and have breathed into them the breath of life. Classical literature and exact sciences may, however, wholly antithetic. If classical literature be sufficient to construct your spinning-machines and bleach your cottons, your system of education is right; but if you are to be kneed, and your sinews strengthened, for a hard struggle of industry, is it wise that you should devour poetry, while your competitors eat that which forms the muscle, and gives vision to the sinews? With such different trainings, who in the end will win the race? How can we, as a nation, expect to carry on those manufactures by our sons of industry, when we do not teach them the nature of the principles involved in their successful prosecution? The progress of science and industry, in countries which have reached a certain stage of civilization, ought naturally to be synonymous expressions, and hence it follows that it is essentially the policy of a nation to promote the one which forms the springs for the action of the other.

(To be continued.)

YOUNG MEN'S CHRISTIAN ASSOCIATION

THE LECTURE delivered on Thursday evening before the Young Men's Christian Association, by the Rev. Mr. Cartwright, at the National School Hall, was well attended; the room was filled to the doors, which we were pleased to see, for seldom has a lecture been delivered before a Quebec audience with such eloquence and fervor. The Rev. gentleman who is distinguished for his ability as a lecturer handled the subject in a manner that pleased and delighted his hearers.

Several of our citizens were much disappointed at not being able to inspect the celebrated Pullman car, expected to have arrived at Point Levis on Thursday. Owing to the accident at the St. Francois Bridge, the car did not pass down.

We are compelled to hold over for want of space a quantity of editorial and local matter.