

The Plot Thickens.
The cession of the Province of Venetia by Austria to France, and the despatch of a Commissioner to Venice, to raise the French flag and take possession of the country in the name of Napoleon, will take the world by surprise. The reluctance of Italy to discontinue the war with Austria, if persisted in, may prove the means of bringing down upon Victor Emmanuel's head the displeasure of Napoleon, who has made Italy what she is, and who can unmake her, by merely raising his finger. The object of Austria in ceding the coveted territory to France, is plain. She has purchased the friendship of Napoleon, who, with Venetia in his grasp, may bargain with Italy for the exchange of a piece of Italian territory adjoining his own borders. In 1859, Austria ceded Lombardy to France, and France exchanged it for Savoy and Nice. By the cession of Venetia Austria will have nothing to fear on the South, and she may now devote her entire attention to the North and concentrate her forces against Prussia. But is this a part of the programme? Have Prussia and Italy relied on the active co-operation of France in the event of hostilities, while Austria had secured it before the first blow was struck? In the event of a general European war, we can readily perceive that while Prussia might experience much difficulty in parting with the Rhenish Provinces, Austria could have none, and that an arrangement by Von Bismarck to that effect would endanger his own safety and the throne of his royal master, while Austria, not owning a foot of soil on the banks of the Rhine, would experience no qualms of conscience and have no particular advantage to gain in the preservation of those German States. "The plot thickens," indeed. And where, a few days ago, every one felt sure that Prussia, France and Italy were about to crush Austria, all are now equally certain that it is France and Austria that are about to grind Prussia to powder. A very few days more will develop fully the policy of Napoleon; but it would not be hazardous to venture the opinion, from the despatches now before us, that the booming cannon of Italy will be silenced, and that both Von Bismarck and Victor Emmanuel will be proved to have been egregiously hampered by Napoleon.

Letter from Seymour, B. C.
SEYMOUR, 11th July, 1866.
EDITORS COLONIST AND CHRONICLE.—On the last I addressed you from French Creek on the subject of the mines, being on my way to Cherry Creek. The Marten which arrived here this afternoon leaves tomorrow for Savana Ferry; by her I forward this, the further information I have collected, relative to the mining camps, to wit: The freshets of the past week have seriously retarded the progress of the works, and until the snow at the heads of McColloch and French Creeks are dissolved and run off there can be little done in the way of mining on them. These creeks are deep from their beds to the bed rock, that section through most of the prized claims is composed of porous strata and is consequently wet, and therefore expensive to be worked. Capital is scarce on the creeks, but the merchants, generally speaking, are helping the miners along. I left the mines four days ago, there was then from 8 to 10 days provisions in with freight and two bands of beef cattle—passed one train near this place coming for freight. The Marten has brought up 48 horses and mules, to pack for Romano, Smith & Ladner, and the H. B. Co. Clarkson is going down to Colville for sheep. The trail is in good condition; under these circumstances there can be no apprehension of scarcity of supplies for the remainder of the season. Should anything worth noting occur on my way to the silver mine through the prairies and plains of the Okanagan, Kamloops and Shuswap districts I will have to pass through you shall hear from me.

Vancouver Island and British Columbia.
To the Editor of the London Times.—Sir: I value your journal because its principle is to hold fast by the truth. I therefore feel sure you will allow me, in behalf of truth, to say a word or two to Mr D. G. F. Macdonald, who has so impudently and unjustly attacked Vancouver Island and British Columbia. I challenge him to a fair fight and ask no favor. I am ready to prove in your columns that the present depressed state of those colonies is in no way due to their sterility and want of resources, but entirely to other

causes; and what is more, I am ready to prove that Mr Macdonald knows little or nothing of Vancouver Island, and less of British Columbia. Of Vancouver Island he saw Victoria and its immediate neighborhood; of British Columbia, only a few miles up the Fraser, so that he is no more qualified to give an opinion about our Pacific colonies than a traveler who went a few miles up the Seine would be qualified to write a book about France. I have studied both colonies well; perhaps few men living have been more over them than I. I am, therefore, ready to show that the statements set forth by Mr Macdonald, in his book and in his letters, are rarely based upon his own experience. In a word, that he has written about a land on which he has scarcely set foot. Although I know all about Mr Macdonald I never saw him, and I have no ill-will against him; nor, I ever invested one penny in either colony, which is to protect truth. I put the challenge plainly before Mr Macdonald, and only trust that he will accept it.
May 7th. B. C.

LOCAL INTELLIGENCE.
Friday, July 20.

St. Ann's Convent School.
The annual examination of the pupils of the Convent School of St. Ann's, in this city, under the able direction of the Lady Superioress Mary Providence and Sisters, took place yesterday in the presence of a large concourse of persons, including His Excellency the Governor, Mrs and Miss Kennedy, who were present for several hours during the afternoon. The exercises commenced at 9 a. m., and did not terminate until 7 p. m., the greatest interest being manifested by the spectators in the entire proceedings, which reflected the highest credit upon the assiduity, perseverance, and intelligence of the scholars, and the care and attention of their instructors. As we append the entire prize list, we cannot find space to-day for a detailed description of the performances. At the termination of the examination, which was principally conducted by Father Seagheers, the pupils, from the young woman of seventeen down to the veriest little mite of less than two summers, all neatly and modestly attired in white, with blue sashes, were picturesquely arranged in order on the platform and received at the hands of Governor Kennedy the various prizes allotted to them, Mrs Kennedy crowning the prize holders with wreaths of artificial flowers. When this was done, the fine French air, "Toujours, toujours," was sung by a number of the girls with good effect; and His Excellency before taking leave addressed a few well timed remarks to the teachers and pupils, which were loudly applauded, and the company then dispersed.

The following is the list of the pupils to whom prizes were awarded:

FIRST CLASS.
Politeness and general good conduct—First premium, *ex æquo*; Frances Mayer, Louisa Galley. Excellence—First premium: Cecilia McQuade. Religious Instruction—First premium: C. McQuade. Second premium: Emily Henderson. Third premium: Mary Ann Murphy. English Composition—First premium: C. McQuade, Matilda Allard. Second premium: M. A. Murphy. Literature—First premium: C. McQuade, L. Galley. Second premium: M. A. Murphy. M. Allard. History—First premium: C. McQuade, M. Allard. Second premium, L. Galley. Mathematical Geography—First premium: C. McQuade, M. A. Murphy. Astronomy—C. McQuade, L. Galley. Arithmetic, first division—First premium, M. A. Murphy.

SECOND CLASS.
Excellence—First premium, F. Mayer. Grammar—First premium, Carrie Watkins. Second premium, Mary McIntee. Third premium, F. Mayer, Annie McQuade. Geography—First premium, C. Watkins, F. Mayer; second premium, Martha Laumeister, E. Henderson; third premium, A. McQuade. Modern History—First premium, C. Watkins. Arithmetic, second division—First premium, A. McQuade, L. Galley. Writing—First premium, C. Watkins; second premium, Rachel Manocet, Bertha Mayer. French—First premium, C. McQuade, E. Henderson, M. A. Murphy; second premium, M. Allard, R. Manocet. Fancy Work—First premium, M. Allard, A. McQuade; second premium, Maggie Leighton, B. Mayer. Instrumental Music—First premium, F. Mayer, Teresa Lichtenstein; second premium, M. A. Murphy, Ella Lichtenstein; third premium, Jane Huston; fourth premium, Sarah Gardiner, Lizette Norwood, Eliza Todd. Vocal Music—First premium, C. McQuade, Drawing—First premium, E. Henderson; second premium, M. Leighton.

THIRD CLASS.
Politeness and Good Conduct—First premium, J. Huston. Assiduity—First premium, Paulina Laumeister. Excellence—First premium, Rebecca Solomon, Grammar—First premium, T. Lichtenstein; second premium, Paulina Laumeister, Kate O'Dwyer; third premium, Emily Ridley, Caroline Wren, M. Lagrange, Sophia Cameron. Geography—First premium, E. Lichtenstein; second premium, Mary Derham, Laura Heywood; third premium, L. Norwood, E. Todd; fourth premium, Kate Branks, Sarah Cohen. Common Subjects—First premium, Rebecca Solomon; second premium, Cecilia McQuade; third premium, Carrie Huston, Emma Marks. American History—First premium, Sarah Gardiner.

English History—First premium, Carrie Huston, Rebecca Solomon; second premium, E. Lichtenstein, M. Lagrange; third premium, J. Huston. Arithmetic—Third Division—First premium, T. Lichtenstein; second premium, E. Marks, Adelaide Catman. Second Division—First premium—L. Norwood, P. Laumeister. Reading—First premium, M. E. McCann, Mary Derham, L. Heywood. Second premium, Sarah Cohen, Flora Wren, Mary O'Dwyer. Writing—First premium, J. Huston, T. Lichtenstein; second premium, M. Laumeister, Sarah Gardiner; third premium, Kate Branks, Vocal Music—First premium, Annie Holden, Matilde Deslatre. Work—First premium, Christine Charles, L. Heywood.

FOURTH CLASS.
Grammar—First premium, Myria Holden; second premium, Marie Chauve, Mary J. Murray. Geography—First premium, Elizabeth Frontin, M. Deslatre. Reading—First Division—First premium, Jane Neely, Adelaide Cook; second premium, Charlotte Ridley. Second Division—First premium, Josephine Newberger, Annie Tuite, Ella Brodrick, Nancy Cogan, Minnie Wallace, Hannah Walsh, Caroline Frontin, Julia Hamburg, Eliza Turner. Third Division—Jane Nelson, Dorothea Cameron, Jane Cameron, Angelina Biaggio, Jane Holden, A. O'Dwyer, Maggie Walsh. Fourth Division—Bertha Humphry, Kate Herkimer, Virginia Campbell, Constance, Martha Ridley, Marie L. Tissett. Arithmetic—Henrietta Coisford, Elizabeth Frontin, Mary E. Cogan, Matilde Deslatre. Writing—Christine Charles.

CONKLIN'S GULCH.—The Cariboo Sentinel, of July 9th, says of this gulch:—"Notwithstanding the great amount of labor that has been spent on claims in this gulch up to the present time, nothing of importance has been struck, although many of the claims are now in a fair way of taking out good pay soon. The Saw Mill company, who just finished to-day working the disputed ground in connection with the Aurora company, have been making wages, they have a small block of the old channel left from which they expect to get good pay. The Ericson company have been running a drift on high bed rock, but have found no pay. The United Tunnel co's are still pushing their drift ahead through bed rock; they are in 288 feet and have only 40 feet to run ere the channel is reached. Union Jack company have been prospecting on the south side of the gulch opposite the Reid company for the last two years. They sunk a shaft last year from which they ran a drift towards the hill and found gold, but not in paying quantities. Not satisfied with these prospects, they are now sinking a shaft further into the hill and have reached a depth of 65 feet with good indications. The Reid company have bottomed both their shafts and will commence washing by the end of the week; one of the shafts is 100 feet and the other 102 feet; they have been steadily at work since April. The New Zealand company are making about wages with prospects of good pay. The Hood Tunnel company are now in over 325 feet, in a direct line from the gulch."

A SAD CASE.—John Livermore, a gray-haired man but, a confirmed Indian whisky vendor, who has evidently seen better days, and who has passed more than half of the past four years in the chingang, was brought before the Police Magistrate yesterday charged with pursuing his old vocation. He acknowledged having given an Indian a bottle of spirits.

The Magistrate.—This is a notorious man. Prisoner—I am, sir; but I'll leave the Colony if you will let me go.

Inspector Welch.—Imprisonment does him no good; he is in very bad health; if he will leave the Colony, it will be a good riddance.

The Magistrate.—I will give you one more chance, Livermore. It is a pity to see a man like you, who has evidently seen better days, acting as you are acting.

Prisoner.—Yes, sir, it's bad—bad—bad.

The Magistrate.—You ought to do something respectable.

Prisoner.—I will; I am tired of leading this life, and wish a chance to do something for myself.

The Magistrate.—I'll take your own recognition to appear in three days; in the meantime you are expected to leave the Colony.

Prisoner.—Thank you, sir.

A QUEEN TELEGRAM.—A London paper of June 2d publishes the following rather questionable piece of intelligence purporting to be on the authority of Reuter. It is dated Paris, Saturday 2d June: A very remarkable article by Michel Chevalier has just appeared in the *Revue des Deux Mondes*. It says that there is no real cause for war. An armed peace, in spite of inconveniences and expenses, is better than war. The Conference may be able to settle the questions submitted to it, but a permanent congress will afterwards be necessary to adjust all international differences. Europe united will, if necessary, act hereafter in concert against North America (!)

THE "TESTED FIELD."—The Volunteer Rifle Corps assembled in front of Government Building last evening, and at 7 o'clock, preceded by their fine band, marched to the plot of ground just east of Beacon Hill, and adjoining Henley's Farm, where they broke ranks and proceeded to bivouac. The Corps consists of Companies No 1, under the command of Capt Laug, and Company No 2, under the command of Lieut Wood, numbering in all about 90 men. The companies arrived on the ground at 8 o'clock, and the arms having been stacked and tents pitched, sentries were set, camp-fires lighted, and the members turned in at 9:30 o'clock, after which hour no persons were admitted within the lines without the countersign. Reveille will be sounded at 6 a. m. each day, and after breakfast and a short drill, those of the Corps who have business in the city and are not detailed as sentries, will be at liberty to come to town. The duties of a camp will, however, be rigidly observed and the attendance of every member at roll-call is compulsory.

RETAIL LIQUOR LICENSES.—The first quarterly instalment on account of Liquor Licenses to be granted for the year 1866-67 is due and payable into the Treasury tomorrow. Mr Watson gives notice that all parties found selling without a license after that date will be dealt with according to law.

FIRE ALARM.—The alarm last evening was occasioned by the burning of some rubbish on Government street, near the Victoria Brewery. The Tiger Engine and the Hook and Ladder Companies went to work and soon extinguished the flames.

MARRIED AND SETTLED.—We see by late California papers that W. T. Ballou, the pioneer Fraser River expressman, has married a widow lady, who is possessed in her own right of \$40,000 left by her deceased husband. Ballou is in luck.

ASCENT OF MOUNT BAKER.—Mr Coleman, Librarian of the Mechanics' Institute, left yesterday on the Eliza Anderson for Port Townsend, where he will join Dr Brown and proceed to attempt to scale Mount Baker.

The French telegraph operators are making experiments with a new kind of electric cable, covered with espartagras, which grows plentifully on the coast of Algeria.

THE "ALEXANDRA," with a few passengers and a large freight, departed yesterday for New Westminster. She will return this evening.

ANNUAL TOUR.—Hon Roderick Finlayson, of the Hudson Bay Company, departed yesterday on his annual tour to the interior of British Columbia trading posts of the Company.

The Legislative Assembly did not meet yesterday, but will meet at one this p. m. and continue the debate on the Reply.

It is stated that nitro-glycerine freezes at a temperature of about 42° Fahrenheit.

LATEST EUROPEAN MAIL SUMMARY.

Great Britain.
The House of Commons has debated Mr Cloves' bill conferring the elective franchise on any person of fit education. Mr Gladstone opposed it on the ground that an educational test would break down, although he admitted that the bill was good in principle. A general debate ensued, without action. The British trade returns for April show the value of the exports to be over three and a quarter millions sterling in excess of April of last year.

THE MONEY PANIC.
Financial affairs continued to exhibit a steady progress in recovery, and a gradual return of confidence. The pressure for discount at the Bank was diminishing, although it was still extremely large and the rate remained at 10 per cent. The rumors of assistance from the Bank of France, with its immense accumulation of specie, to the Bank of England, were not authentic. The London Times says that such a step in the height of the crisis might have proved beneficial, but it is now unnecessary. The funds and securities generally exhibited decided firmness and prices had advanced all round. H. J. Guthorpe & Son, of London, principally engaged in the metal trade, had suspended; liabilities nearly £300,000; assets believed to be ample.

France.
An explosion in a factory at Aubin killed twenty and injured fifteen persons.

Portugal.
The Cortes has been prorogued until the 9th of June. Count de En and his consort, Princess Isabel of Brazil, have arrived at Lisbon. They were received by the King in person.

Turkey.
Constantinople, May 23—Riza Pasha has been appointed Grand Master of the Artillery, in the place of Halil Pasha, who has been dismissed. This measure has had a bad local effect. The order for the Turkish troops to enter the Principalities has been suspended. Trieste, May 29—M. Perkovich, a Senator of Montenegro, is stated to be at present at Florence, intrusted by his Government with a diplomatic mission, which, it is expected, will lead to a treaty of alliance between Italy and Montenegro.

A telegram received here affirms that a Turkish army corps has entered Scutari to reinforce the Bosnian garrison. Three Turkish war vessels had arrived at Antivari to guard the coast of Albania against any sudden landing of Italian volunteers.

Legislative Assembly.

FRIDAY, July 20th, 1866.
Assembly met at 1:20 p. m. Present—The Speaker, Messrs Trimble, Young, Dickson, Pidwell, Aash and Carswell.

BILLS OF SUPPLY.
The House went into Committee on the Bills of Supply. An item overlooked at the last sitting, viz: Treasurer's clerk, \$1200, was voted with a resolution that the clerk act as Assessor.

Mr Pidwell moved that a policeman be provided for Esquimalt. The scenes enacted there on Sundays by sailors were most disgraceful. Dr Holmcken said a number of policemen had been voted, not for Victoria alone, but for places in which they were required. Now, if a policeman were wanted at Esquimalt and Nanaimo, it was the duty of those having charge of the force to send one there. Vote a police force and let them be detailed for duty where they are most wanted. The motion was lost. The Bills of Supply, as a whole, were then passed.

THE REPLY.
The Committee next took up the Reply to the Governor's Message. A sort of desultory debate took place, and several amendments were proposed and either carried, postponed or laid over. The Committee having risen, a message was received from His Excellency the Governor concerning the LEACH RIVER DITCH, which was read. Dr Dickson moved that a call of the House be made for Monday next. Carried.

Legislative Court.

BEFORE THE SUPREMACY MAGISTRATE AND THE MAYOR.

FRIDAY, July 20th, 1866.
FASHION HOTEL.—Transfer from John O. Keenan to Charles Brooks allowed. Mr Pemberton observed that two years ago the Bench thought it proper to caution the proprietor of this and other establishments against the employment of female waitresses. Subsequently the Bench had thought that no such caution should be given; but now the Bench agreed that the caution ought to be renewed and applicants warned against the regularities that must ensue from females supplying strong drink to men and partaking of it themselves.

BRIDGE TAYLOR.—Mr Bishop applied to the Bench to know whether this house was not without the city limits. Mr Pemberton said the map must determine that.

EVERETT'S EXCHANGE.—Mr Ring applied on behalf of Mr A. J. Welch for a license. He presented a recommendation signed by a number of rate payers and others in favor of the license, which was all that the spirit of the English Act required, and called the attention of the Bench to the fact of the applicant having invested \$25,000 in the Colony and spent \$10,000 alone on his brewery. Mr Welch was well known in this city, where he had been a long resident, and he asked the Bench not to be influenced by what transpired outside, and to thereby drive a man who was struggling to maintain his family by a legitimate calling into bankruptcy. Mr Courtney opposed the application on behalf of neighbors.

Mr Pemberton reminded Mr Ring that the present license was granted to Dixon, and the Bench had refused, nine months ago, from evidence before it, to grant a license to Mr Welch.

Mr Ring thought the Bench now had the opportunity of repairing the injury done to Mr Welch, possibly upon loose statements, for which Mr Welch had suffered ever since. The Bench asked the character of the house.

Inspector Welch said it had not all improved. Sergeant Ferrall deposed that the house was a very disorderly one, and he had cautioned Mr Welch against allowing thieves and Indian whisky sellers to assemble there. Officer Taylor had also seen bad characters come from there. Mr Welch was then examined by Mr Ring, and wholly denied the allegations made against his house. He assured the Bench that he had done all in his power to preserve order and to drive away suspicious traffic. The cottages behind had been turned into a bowling alley, and whisky was frequently brought from elsewhere through the passage by the side of the premises of the Police, for which he was blamed. He had himself given information to the Police and tried to prevent it.

Mr G. C. Wigham said the house was an intolerable nuisance, from the drunken sailors inside and the whisky sellers and Indians outside. Mr N. G. Norris and Mr Valentine gave similar evidence.

The Clerk of the Court produced the record of the refusal of the Bench to transfer from Everett to Welch.

Mr Welch was allowed to explain away the charges made by the witnesses against his house.

Mr Ring reviewed the circumstances and repeated his application for a license. The application was refused by the Bench. Mr Welch said he was under a rent of \$95 per month for nearly two years, and asked the Bench to grant the license to his landlord, Mr Everett, to whom he might be able to sell his stock. If the house was closed it would be ruined.

Mr Pemberton said the Court did not wish to ruin either party, and the application of Mr Everett might be made the next day at noon.

Mr Welch asked whether, if he took other premises in town where he could vend his beer, the Bench would give him a license, or whether they had any personal objection to him.

Mr Pemberton said it was Mr Welch's proximity to the water and the facility he had for the Indian traffic that they objected to. He might make another application.

The pearl is a malady of the oyster, a sort of excrescence or wart, and requires seven years to develop itself completely.

American Politics.

The differences of opinion existed during the present Congress between the President Mr Seward on the one hand, majority of both Houses of the other, has at last extorted the Cabinet, for we find that the Ministers have placed the folios in the hands of the President. The reason for this action is in the letter of resignation Postmaster General, who acknowledges that he retires he cannot agree with the proposal calling a National Convention, call the President is supposed (dorse) to meet at Philadelphia 14th proximo, and because agree with the proposed amendment to the Constitution, which is understood to oppose the object of the Convention clearly set forth by Mr Seward designed to organize a great Party in opposition to the Republicans and to address a to Congress, and remonstrate the unconstitutionality of the countenance which Mr lends to this movement will additional strength and may be the means of m under one banner the moderate all sections. Mr Seward originator of the Republican party that by electing Mr as President, in 1861, brought on the rebellion which so disastrously for the South. Southerners succeeded because feared that Mr Seward (then Prime Minister) was too Radical would at once inaugurate a against their "peculiar institution" slavery; but it now appears where Mr Seward took one step direction of Radicalism, his part taken ten in the same direction today he is regarded as a friend the South possesses one of the most Conservative the Union. The Radical fact Congress because they are bold and aggressive. Their poses may be bad, their vicious and revolutionary; but fight they show those qualities age, skill, tenacity and energy invariably command respect to a bad cause more or less of strength. To oppose this one as bold, as skillful, as aggressive must be formed Conservative Republicans, the heretics of Democracy, the no claimers against negro suffrage, the ex-rebel rank and file, must marshaled beneath one banner one patriotic purpose in view, restoration of the Union, v slavery. The proposed amendment the Constitution, which the Ministers endorse and which for of the causes of their retirement cludes negro citizenship and the disfranchisement of rebels, elusion of rebels from office, and thing else that the most dete Radical can desire. Should the ment receive the consent of the latures of two-thirds of all the it will at once become law; the in the Southern States will be up in a "hell guarded by bayonet while they will be represent Congress by their former slave a complete change will take in the politics of the country a the status of the black man. P such a sweeping change would visible a few years hence, wh masses of the emancipated race been educated up to a standard able them fully to understand h exercise the right of suffrage; present the experiment would fraught with great peril and lead to serious complications, as well as South. The movement the formation of a new party has been made a moment too soon. result of the elections to be held Autumn will decide the fate of South, and settle the negro qu one way or the other.