

ourselves involved in the midst of all the petty annoyances of a changed currency.

We are more than willing to make a single change, once and for all time, but to make a disturbance now, and then another within a couple of years, is rather too much of a good thing. We hope the bill will not pass in its present shape, and that the question will be thoroughly discussed before any steps are taken. The question is one of very great importance, one in which every man in business is directly interested, and we have no doubt there are clear-headed business men in Parliament numerous enough to prevent any rash action adverse to their interests.

Touching the "silver nuisance," as the bill does not refer to it, we can say nothing at present. The country would no doubt be glad to learn what Mr. Rose meant to do, now that he has a "specific quantity" to deal with.

FROM THE CAPITAL

OTTAWA, 14th March, 1868.

THE Parliament of the Dominion re-assembled on Thursday, and both the Senate and House of Commons are already pretty full, although but few of the representatives of Nova Scotia and New Brunswick have yet arrived. The former Province has no representative on the floor of the Commons as yet but Dr. Tupper, but the "Antis," as they are called, are on the way for Ottawa, and are expected to reach here in a few days—in all probability before this letter sees the light.

The re-assembling of the "collective wisdom" has taken place very quietly. But it must not be supposed from this circumstance that the remainder of the Session—that upon which the Houses have now entered—will be unimportant. Several measures of the very highest importance are to come up for consideration,—measures which the highest wisdom in the land will be required to render perfect. The people have become a little tired of Legislative proceedings of late, in consequence of so many different bodies all meeting about the same time, but the legislation about to take place in Ottawa will effect the weal or woe of the Dominion as much as any which has ever preceded it.

The readers of the *Review* being principally composed of those engaged in commercial pursuits, will no doubt feel most interest in the proposed tariff alterations. The Government will, I feel assured do what they can to meet the views expressed by the business community, particularly the different Boards of Trade of the leading cities. The objections raised to the tariff in Nova Scotia and New Brunswick are, I have good reasons for saying, to be obviated as far as possible—not by reducing the amount of taxation, but by arraying it in a way more palatable to our eastern friends. The sugar duties will undoubtedly be altered to some extent, but whether the changes will go as far as the importing interest demands, is questionable. Everything betokens that the discussion of the tariff will be brisk and animated, and it is to be hoped that before the Session terminates, we will have an Act as nearly perfect as possible—one which will continue in force unaltered for several years.

The great topic in the capital at present, is the Intercolonial Railway. The rumours of differences of a grave character in the Government on the location of the route, have not been exaggerated. Two weeks ago the troubles were so great, that a rupture was imminent, and although there is a temporary truce until a further survey is made of part of one of the frontier lines, still the battle is only postponed, not ended. It is rumoured—in fact it is well known by those best informed—that two or three companies of eminent capitalists have offered to construct and keep open two of the proposed frontier lines for a comparatively moderate bonus. The Government have offered to build that portion of the frontier line from River du Loup to Woodstock—about 200 miles—for a bonus of \$6,000,000, there has also been another offer made to construct a line which will run on the east side of the St. John River, and at least ten miles from the American frontier, for a bonus of \$3,000,000. According to a carefully prepared printed document put in my possession, the cost of three different lines is set down as follows—

Major Robinson's route	\$21,718,540
Line from River du Loup to Woodstock	11,500,000
Direct line from River du Loup to Fredericton	18,500,000

The first estimate is that of Major Robinson, the latter two are made out in accordance with the offers of the private companies referred to above—adding on in each case the sum of \$5,200,000, the estimated cost of the Nova Scotian section from Monckton to Truro, and \$300,000 for land damages, fencing, &c. There is every reason to believe these figures are pretty nearly correct, and they certainly show that an immense saving can be made by the Government choosing either of the lines running near the frontier. According to the same statement, there would be a large saving in the annual expense by taking either of the lines referred to, in preference to the North Shore line. The figures given are as follow:—

Annual charge of Robinson line	\$1,255,084
" " Woodstock line	461,600
" " Fredericton line	545,000

This statement is made up by taking the interest on the capital expended on each line as given above, with a small sum for commission, but adding in the case of the Robinson route \$234,000 on the probable loss which would annually accrue to the Government in running it. As the other lines would be in the hands of the companies who offer to make the roads for the bonuses mentioned, the Government could come to no loss, as these companies are perfectly reliable. I have very little hesitation in expressing belief that the Fredericton line could be made for about \$7,500,000 less than the North Shore, whilst the annual charge would not be over one-half as much! It is this line which Mr. Fleming has received orders to survey, and to obtain which the Government has decided to postpone the final decision of the question.

Much interest is manifested by Members of both political parties, to know the contents of the Militia Bill, which the Government is understood to have prepared. It is well known that a measure was drawn up before the first part of the Session began, but it is understood in well informed circles, that it has since undergone some very considerable alterations. The Defence question is a very difficult one for any administration to settle. One ministry has already gone to the wall upon it, and it is expected that even now—when public opinion has been educated up to the point that something must be done—it will require considerable dexterity to engineer such a measure through the Commons. The general feeling appears to be in favour of rendering our Volunteer service as effective as possible, but anything like a large outlay on Fortifications, is unpopular. It is expected that the coming Bill will make provision for the drilling of a considerable portion of the Militia, but if even 50,000 men in addition to the present Volunteers were uniformed, drilled and paid, it would involve a very large annual expenditure. There is a strong and well founded repugnance among the people of the Dominion, against introducing anything like the military systems or "armed neutrality" of Europe—but unless something is done, what guarantee have we for the preservation of our independence and our liberties?

The assimilation of the franchise and laws relating to elections, is expected to be brought before Parliament before the prorogation. The present laws of Ontario and Quebec differ very much from those of New Brunswick and Nova Scotia. What the features of the Government measure are, has not transpired. It will be a great advantage, however, if all the elections are made to come off on the same day, and that the polling be confined to that day. There can be little doubt that this change would prevent a very large amount of the corruption and demoralizing practices which obtain during elections. The experience of the late political contest would go to indicate that such practices are increasing in Canada, and some remedy should be tried before the evil becomes incurable. Some of the more advanced representatives are advocating the ballot as a remedy, and it is not unlikely that an amendment will be moved to the Government measure to extend the ballot law of New Brunswick over the whole Dominion. Whilst it might not prove a complete cure for the evils alluded to, I do not doubt it would be a great improvement on the system now in force.

There is an uneasy, restless feeling here in political circles. New combinations are a constant theme of conversation. The probabilities of a split in the Cabinet are freely admitted on all hands. The Intercolonial Railway is the ostensible rock, but many think, and not without some cause, that the personal relations of two gentlemen high in place, is the real cause of danger. Everybody is asking, "if the Cabinet does break-up—what next?"

THE PRICE OF GOLD!

THE time was when almost any domestic excitement in the United States, sent up the price of gold in New York like a rocket. But things appear now to have changed. The people have so long lived amidst a whirl of excitement, have so often been "caught" by startling canards got up by the *Bulls*, that nothing but circumstances of most alarming import appear to disturb their equanimity. For several weeks past, gold has fluctuated comparatively little, although circumstances of the greatest gravity have transpired. When we think of the character of two of these circumstances, and remember how sensitive gold was even as late as two years ago—how rapidly it rose and fell—we are almost at a loss to account for the comparative steadiness of the financial barometer during the past few weeks.

The first cause which we thought would effect the price of gold was the recent announcement of Mr. Secretary McCulloch with regard to the debt. According to his public statement, the debt of the Union had not only ceased, but the amount had actually increased since the beginning of the year (1868) by \$19,189,723, and since the beginning of November by \$35,810,922. Taking the whole of the last financial year, it is true, there was a reduction of some \$16,000,000, but the great falling off during the past three months might very reasonably have caused alarm in financial circles. But gold does not appear to have been influenced by the statement of the Secretary of the Treasury, and, indeed, there is little cause to be astonished at this, when we find that the grave crisis which is taking place at Washington—a crisis which threatened another civil war—has scarcely disturbed the *Gotham Bulls* and *Bears* in the slightest degree. We regard this as a most remarkable "sign of the times." If anything could have excited the New York gold room, one would have supposed it would have been the startling intelligence that the long struggle between the President and Congress had reached a point when brute force seemed the only resort left—when the President was impeached—and two claimants were quarrelling for possession of the War Office. Nevertheless 3 per cent. was the only advance in gold, and very soon it was revolving about 140 as before the crisis began.

How is this phenomenon of the gold market to be accounted for? In two ways we think. First, because the keen shrewd money speculators and business men of New York, know that the quarrel of the politicians at the capital would never cause anything like civil war and bloodshed, and second because the American people have now been so long used to excitement of every imaginable description, that if Washington itself were to be suddenly submerged, it would scarcely be a nine day's wonder. The *Bulls* in New York might hoist gold up a few per cent, and the *Bears* pull it down again, but things would soon go on as before.

Very many are disappointed that the price of gold remains as high at the present time. When, a few months ago, it stood so long about 133, there were some who predicted that it would soon be revolving in the neighbourhood of 125. These hopes have not been realised, and are, we fear, not likely for some time yet. According to statistics which we seen recently, all the gold in New York with the amounts likely to come from California, and to be received as interest from the Government during the next three (commencing 1st March) months, will not exceed \$28,000,000, and it is believed that the customs duties will absorb the whole of this sum. This would leave the shipments of gold to foreign countries to be provided for. What amount will be required it is, of course, impossible yet to say, but some estimate may be formed of it by the amounts shipped, during February, March and April of the following years—

1863	\$13,701,000
1864	11,200,000
1865	2,500,000
1866	3,800,000
1867	6,100,000

Unless Mr. Treasurer McCulloch makes up his mind to sell a large gold between now and the 1st of May it will get to be a little scarce in New York, and an upward movement is very likely to take place. It is quite probable that by some hook or crook some gold from the Treasury will get into the market, and the American importers not be left without the wherewithal to pay their European purchases. The dash of great excitement in the gold market, however, is pretty well over. There will, of course, be ups and downs. Money will doubtless yet be made by the Wall Street speculators, but when the recent alarm of crisis at Washington only put gold up three per cent, we can hardly expect any circumstances—unless the scarcity of the precious metal itself—to produce the great rises and falls to which we have heretofore been accustomed.