

THE CANADIAN ILLUSTRATED NEWS.

MONTREAL, SATURDAY, DECEMBER 4, 1869.

Nothing new regarding the troubles in the Red River Territory has transpired during the week. The journals have published letters from correspondents in the Settlement confirming what was already known, and adding a few particulars as to matters of detail. Opinion is divided as to the moving cause of the hostility to the Canadian authorities, but we think it may be found chiefly in the fact that the people who have resisted the entrance of the Hon. Mr. McDougall are actuated by a sense of wrong—however mistaken it may be—in that they have not been consulted as to the conditions upon which Rupert's Land is to be incorporated with Canada; and that they are encouraged in their course either by Annexationists, who hope through them to defeat the project of British American Union, or by others who have persuaded them that by a show of resistance to the new order of things, they can gain material advantages for themselves. It is quite likely true that a feeling of hostility personal to the Hon. Mr. McDougall may have been, as is alleged, excited, because of the action in 1863 of the Canadian Government, of which he was a member, in relation to the lands on the great Manitoulin Island; but the feeling, however strong, forms but a small part of the inciting cause to the act of open resistance to the assumption by Canada of authority over the Red River Settlement.

If it is well understood, in the first place, that the people who now assert the right of government over the Red River Settlement cordially hate the rule of the Hudson's Bay Company, and desire to be delivered therefrom; if, secondly, we may suppose that these same people share the common aspiration for the opportunity to manage their own affairs, and that they also regard the Territory as their own, and fear that their "vested rights" of undisputed possession, and the privilege of roaming at will in the prosecution of the chase, are to be taken from them, or circumscribed by the arbitrary lines of the Land Surveyor, we shall have little room left for surprise at the hubbub which has been created. The sum and substance of the trouble appears to be that the people, glad to be rid of the Hudson's Bay Company, are yet afraid that their ancient privileges will be abridged by the influx of immigration, and they desire some substantial guarantee that the new rule will be more beneficent than the old one. They have been so far well advised that there was no power immediately available to resist their authority; and the snows of winter will give them a guarantee for at least a few months' continuance of the same immunity. After that, what then?

It is reported that the Canadian Government has requested the Hudson's Bay Company to restore order and give peaceful possession; and, in the meantime, advised the Hon. Mr. Rose to withhold payment of the three hundred thousand pounds sterling, due to the Company in consideration of the transfer of its rights. This may be true; but as the final negotiation for the acquisition of the territory by Canada was conducted through the Imperial Government, which simply stipulated for the "surrender" of the Company's territorial rights, we are very much inclined to doubt whether the Company can be legally held to these terms. Its territorial rights were not defined, and the condition of the agreement was simply that they should be given up, or abandoned, Canada securing territorial jurisdiction by right of the Crown, in consideration of a money satisfaction handed over to the Company, which had previously held under Royal Charter. If this is a fair statement of the transaction, the Canadian Government will find it difficult to exact such conditions from the Company; and apart from the law of the case, by which we do not think the Company is liable, it is pretty certain that even if it were it is practically unable to fulfil such conditions. Little can be hoped for from the Company, though much might be done by its officials in reconciling the settlers to the new régime.

Another report is that enquiries have been instituted to ascertain whether troops could not be sent from Canada, during the winter, by the Fort William route. This means war, and war should only be resorted to when negotiation fails. So far the insurgents have conducted themselves with becoming respect for persons and property, except in the single particular of making free with the Hudson's Bay Company's stores; and it would certainly be desirable that the difficulty should be got over without bloodshed. It has been not inaptly remarked that a body of volunteers from Canada would be regarded in the Red River country as so many land speculators; and before an appeal is made to arms an attempt should be made to overcome the difficulty by peaceful negotiation. Though the published programme of the demands of the insurgents

is quite inadmissible, yet it is more than possible that satisfactory terms could be made with them through the agency of a Canadian Commission duly authorized to treat with them, and to define the policy intended to be pursued. We have been assured that the Hon. Joseph Howe made a most favourable impression among the settlers during his recent visit; and were one or two others connected with the territory by trade, or still better, enjoying community of language with the half-breeds now in arms, associated with him as a Commission to visit Fort Garry, it is not unlikely that the insurgents might be induced to lay down their arms. The experiment is one which is surely worth trying before a resort is had to severe measures of repression.

An uneasy feeling is creeping over the commercial classes of the United States. Business is dull; people have been overtrading; merchants have speculated with their capital and carried on their commercial transactions on credit; fine houses and fast living have crippled the means of the wealthy; high taxes have borne heavily upon the national industry, several important branches of which have been seriously crippled; and the general return to the credit system, after the close of the war, has left all classes ill-prepared for a panic. Meantime, the threatened return to specie payments is viewed by some as calculated to precipitate a financial crisis for which so many predisposing causes already exist; while others regard that step as eminently desirable to check speculation and curb mercantile transactions before these shall have gone so far as to render inevitable a crash similar to that of 1857. The gold in the National Treasury accumulates, and the revenue is largely in excess of the ordinary expenditure, thus enabling the Government to reduce the national debt, at a rate which surprises other nations of the world, and therefore gratifies American pride.

There is no room for doubt as to the capacity of the Americans to carry their national burthens; but it does seem, with the growing antagonism between capital and labour, with the increasing power of special interests represented by "rings," which almost, if not altogether, control legislation, and with the other symptoms of coming trouble above enumerated, that our neighbours have not their load wisely adjusted; that it presses too heavily in some places and sits too lightly in others. If this be true, it need not be at all surprising that a commercial crisis is looming in the near future. Such panics have been of frequent occurrence, and their return has come with remarkable regularity; possibly but for the intervention of the war, and the consequent revolution in financial and commercial affairs, the United States would already have passed through similar scenes to those of '57. But, though the war was the cause of unwonted prosperity to the north, it also led to the destruction of an immense amount of the national wealth, far more than that represented by the debt incurred in suppressing the rebellion. It has, therefore, left the United States, though seemingly prosperous measured by their capacity to bear taxation, far less able to withstand a commercial panic than formerly. The working classes complain, with good reason, that the proportion between remuneration for labour and the cost of living has been changed to their disadvantage since before the war. The war prices which prevailed as a consequence of the enormous expenditure of money are now maintained by the high rate of taxation required to meet the interest on the debt and the ordinary expenses of Government. Thus, with a peace scale of remuneration for labour, there is a war scale of prices for the necessities of life. If, under such circumstances, a commercial crisis were to overtake our neighbours, it is not at all unlikely that they would find a source of embarrassment in the hundreds of thousands of the working classes who would, by being thrown out of employment, become the objects of public charity, as did the Lancashire operatives during the cotton famine. This would prove a new and disagreeable element of social disorder among a people, whose respect for law is measured mainly according to their circumstances, and who do not scruple to take the law into their own hands, if thereby they believe that these circumstances are likely to be benefited.

The causes of the stagnation in some branches of American industry, and of manifest and rapid decline in others, are variously estimated by American writers. One class affirms that protection, unevenly applied, either to the advantage of one branch of business and the injury of others, or to the benefit of capital at the cost of labour, has been the main source of the depression, which all admit to exist; another class argues that the protective policy has not been carried far enough. The present tendency in the United States is against the latter theory. It is beginning to be argued that the true way to compete with the labour of other nations, is to cheapen the cost of production; and that protection by increasing it, paralyzes the national industry. It does not seem to us that there

can be a reasonable doubt of the general soundness of this argument; but to give it practical effect, a large reduction in the customs tariff, and a corresponding one in various items taxed under the head of Internal revenue, would have to be resorted to, and thus the necessities of Government would form an important element in calculating the capability of the United States for the adoption of even a modified free-trade policy.

There is one reflection with which Canadians may console themselves in view of the predicted financial crash; the existence of less intimate relations between this country and the United States will render the reaction of their financial troubles less injurious to Canadian trade. It is stated that the President has emphatically pronounced himself against the restoration of reciprocity with this country; and though we have to regret that an arrangement which, if wisely made, would be productive of mutual benefit, is for the present denied us, we cannot ultimately suffer any evil consequences from the persistence of our neighbours in a mistaken policy which, in the end, must redound to their own disadvantage.

QUEBEC LEGISLATURE.—Sir George E. Cartier presented a petition from the Numismatic and Antiquarian Society of Montreal, for a charter. In answer to Mr. Joly, Mr. Chauveau said it was the intention of Government to introduce a Notarial bill with certain amendments. Concerning private bills he said it was the intention of Government to oppose applications to extend the time for receiving private bills. He then moved the first reading of the Police bill. He said the intention of the bill was to place the Police force under the direction of Government. The cost to Quebec of maintaining its police force would not be greater than at present. The Quebec city police are now under the direction of the Recorder, Mayor and the Judge of Sessions, so that transferring them to Government would not be an encroachment on the right of the Corporation. Rural municipalities would be able to obtain police by voting a sufficient sum for their payment in their Councils. The bill was then read a first time. Mr. Hamilton, (Bonaventure,) moved for a committee to enquire into the administration of justice in the judicial district of Saguenay. He wished to say, in reference to his motion, that that district, which included about 500 miles of coast, possessed only one magistrate, and that the administration of justice was very bad. (Carried). The Act to amend the law respecting the constitution of the Superior Courts was read a second time. Hon. Mr. Ouimet moved the second reading of the Municipal Code of the Province of Quebec and that it be referred to a Special Committee. Mr. Joly said he hoped the code would be not a municipal code but a rural code, one which would be sufficient for the uses of the country. Mr. Hemming hoped the committee would not forget a resolution passed in committee to amalgamate the municipal and agricultural codes. The municipal code was not sufficient; it required simplification. In reply to Mr. Joly, Hon. Mr. Chauveau said it was not the intention to adjourn shortly and hold another Session during the summer.

ONTARIO LEGISLATURE.—Mr. Clarke moved the second reading of the Act to amend the law of evidence, so as to admit the testimony of the parties to a suit. He made an exhaustive speech in favour of the proposed reform, which had been in force in England for some years and had worked satisfactorily. Attorney-General Macdonald opposed the bill on the ground that it would largely increase litigation if plaintiffs and defendants were permitted to swear in their own cause. The Act was read a second time, and referred to a special committee. On the motion of Dr. McGill the bill to regulate the sale of poisons, was read the second time. Mr. McKellar moved the second reading of the bill to abolish dual representation—lost, Yeas, 26; Nays, 42. Hon. Mr. Cameron, in moving the second reading of the Act to amend the Grammar School law, explained that the intention was to form a Board of Trustees, to be called the "Board of Public School Trustees," who should be elected directly by the people to control the Grammar, as well as the Common Schools. Another object was, to do away with the necessity that now exists, that pupils in Grammar Schools must of necessity learn the classics, and to make it optional with the parents of the children whether pupils should confine themselves to the branches of an English education, which, in this country, was perhaps more useful than a classical education. In order that classical education might not be entirely overlooked, it was provided that it might be taught in Grammar Schools, and provision was also made for the establishment of what was called "Collegiate Institutes," where the classics could be taught; so that in country schools the rudiments of an English education might be taught, and the higher branches of education in the Grammar and Collegiate Schools. In offering this bill for the consideration of the House, it was not the intention of the Government to say that the bill would be withdrawn if its provisions were not accepted, but it was their intention to admit of amendments, and to accept suggestions from the House. The bill was read a second time, and referred to a committee of the whole. Mr. Blake's resolutions on the appointment of an Auditor were referred to the Committee on Public Accounts. The bill to amend the assessment law by reducing the list of exemptions was read a second time, and, on the motion of Mr. Trow, referred to a select committee, consisting of Messrs. Cameron, McKellar, Currie, Galbraith, Monteith, Sinclair, Graham, (Hastings), McLeod, Rykert, and the mover.

The Attorney-General moved the House into Committee on the indemnity to members. The resolutions, as reported, fix the sessional allowance for thirty days or over, at \$4.50, and for a session under thirty days, \$6 per day. They were agreed to.

The Ottawa river was frozen across at Pembroke, on Sunday night last. On Wednesday morning Mr. Dennis Coghlan, the contractor for carrying the mails between this place and Fort William, Q., undertook to bring the mail across the ice afoot, but before he had proceeded far he broke through, and before assistance reached him he disappeared beneath the ice. His body was recovered next day. The deceased was a native of Prescott, Ont., and was highly respected; he leaves a wife and family.