

showed that the banks had been enabled to retain a considerable portion of the gold that arrived, instead of its being absorbed by the Treasury as heretofore. Since Friday last shipments of gold, aggregating fully seven millions, have arrived." * * * "Since the 1st of last July the imports of gold will probably aggregate, before the expiration of the year, about \$34,000,000 much of which has been drawn hither for investment and other operations in railroad securities on foreign account, but the advance in Bank of England rate of discount and the high premium charged for bars on the Continent are likely to check this movement for the time being."

The Hudson's Bay Co. is in a position to take a general view of the whole northern country, from Hudson's Bay to the Pacific ocean. A decrease of fur bearing animals, as a consequence of settlement, might have been expected, but this the governor, at the recent half yearly meeting, said had not taken place. It is a curious fact that when so much importance is being attached to the navigation of Hudson's Bay, the company is making less use of the bay than ever; employing railways, to a large extent, and sending annually only one small vessel to the west coast to collect furs. Furs which used to be sent from the Pacific coast, and around either by Cape Horn or across the Isthmus of Panama, are now carried by the Canadian Pacific railway. The governor does not expect soon to see a railway to Hudson's Bay; but in this he may be mistaken. The company has had to cancel land sales, made during the "boom," to the amount of about £500,000. There are signs of the revival of a demand for land, which the company neither desires to hold nor to sacrifice. The company has apparently awakened to the necessity of encouraging emigration to the North-West, and in this way it can no doubt make its influence beneficially felt.

In France, the belief gains ground that Germany is preparing for an assault on her neighbor, from whom in the last war she took Alsace and Lorraine. Sensational stories are told about the preparations being made for an attack before steps can be taken to repel it. And the Vienna press expresses the opinion that Russia is preparing for war, and complains that Bismark has made terms with the Northern Bear. If Germany wishes or fears war with France, she would naturally desire not to have Russia for a foe, at the same time.

Inter-state railway regulation, as a result of a recent decision of the U. S. Supreme Court, that the question is beyond the jurisdiction of the separate States, is occupying the attention of the National Legislature at Washington. The Cullom-Reagan bills of last session have been substantially merged into one. The action of Congress on this bill cannot be indifferent to us, at a time when a royal commission is taking evidence on substantially the same question, though its conclusions would not necessarily be an imperative

guide for us. It is obvious that agreement of all interests to this bill will be difficult of attainment. The grangers are committed to equal charges for equal distances, to which the extreme west is likely to object. This provision is practically in favor of Black Sea and India wheat, and against Western American, though on the whole, and apart from this, there are good reasons in its favor. The bill contains some provisions to which the railway companies are not likely to object, and they are sure to try to obtain an alteration or the expunging of those which they do not like. This will be a test of the power of corruption, so generally attributed to the railway companies, to mould legislation to their wishes. The struggle will be severe, and it will be deeply interesting to watch the result.

DEFENCES AND COMMUNICATIONS OF THE EMPIRE.

A despatch has been received by the Governor General, from the Colonial Secretary, announcing that Her Majesty's government has "come to the conclusion that the Queen should be advised to summon a conference, to meet in London in the early part of next year, at which representatives of the principal colonial governments will be invited to attend, for the discussion of those questions which appear more particularly to demand attention at the present time." Among these questions, military organization and defence are mentioned. The development of the postal and telegraphic communications of the empire will also come up for consideration. Imperial communications, between every part of the empire, will be treated as a whole, so that waste of effort and unnecessary increase of expense may be avoided. Other questions will probably come up for discussion.

The Imperial Government being charged with the defence of the whole empire, naturally regards colonial and imperial defence as parts of the same question. In so widely extended an empire the inhabitants of some parts of it must inevitably be ill acquainted with the points which require defence in other parts. The Royal commission, presided over by the Earl of Carnarvon, examined the whole subject of imperial defence, and as a result of its labors important defensive works were constructed, in various parts of the empire. The colonies have shown a disposition to aid in carrying out this work; and the proposed conference has in view the establishment of a common basis of action. A standing committee lends its aid to the accomplishment of the general task. What is aimed at is to arrive at a better understanding of the best system of defence for the empire at large. "For this purpose" says the Colonial Secretary, "an interchange of knowledge as to the state of preparation, or as to the capabilities of organization in each colony, would lead to a more thorough understanding of their wants and wishes"; but it is not intended "to commit either the Imperial Government or any colony to new projects entailing heavy expenditure, but rather to secure that the sums which may be devoted to this purpose may be utilized to the fullest extent, with

complete knowledge of all the conditions of the problem."

So long as the colonies remain a part of the empire, they cannot honorably refuse to bear their part in their defence. That part has hitherto, in times of peace, been chiefly confined to the maintenance of the militia. Professor Grant, some time ago, expressed the opinion, in vigorous terms, that this was not doing our whole duty, and that we could not in honor and conscience shirk full responsibility. Perhaps the colonies could not do more than make a stipulated contribution for the general purposes of the defence of the empire; the responsibility of the execution of defensive works must rest on the imperial authorities. The subject is not without its difficulties; but there is no reason to suppose that these will prove insuperable.

The promotion of the social relation of the empire, by means of postal and telegraphic communication, is a wide subject. In telegraphy private enterprise does much; but there may be distant parts of the empire, which do not offer sufficient business to justify the embarking of private capital in cable communications, which political necessity may call for. Whenever this is the case, the intervention of the government would seem to be not only justified but called for by the exigencies of the situation.

Many persons when they read in the Queen's speech a reference to "a growing desire to draw closer in every practicable way the bonds which unite the various parts of the empire," will have supposed that some reference to Imperial federation was intended. The reading of the Colonial Secretary's despatch will show that they were mistaken. "I should deprecate," says that functionary, "the discussion at the present time, of any of the subjects falling within the range of what is known as political confederation." This accords with the view which has often been expressed in these columns. Co-operation to a certain extent may be possible; while political federation might be impossible, or if possible, perilous. The Colonial Secretary states, as explicitly as truly, that "there has been no expression of colonial opinion" in favor of political federation; that is, none that has reached him in an official form, or of which he could take cognizance. There have been expressions of opinion, but not by the legislatures, or majorities, in any form. It is well, therefore, that this subject should not come under discussion, in the proposed convention.

It is not proposed that representation in the conference should take a proportional form, the work to be done being purely consultative. To the Agent General of each colony, it is suggested that some leading public man should be conjoined. How far the agents can speak for the governments, unless some basis of agreement be sent in advance for consideration, or they be constantly in communication, by cable, with their governments, it is difficult to see. And even then, it may not always be possible to count on the assent of the legislatures; though the difficulty, in this case, will not be different from that which is