

quantity of bank notes were not thrust into circulation. For the first three or four years after the Restoration, the directors, ignorant, perhaps, of the nature of the great power which had been placed in their hands, seem to have regulated their issues nearly on the same principles that they had regulated them by while they were obliged to pay in coin. But in 1809 and 1810 the directors appear to have lost sight of every principle by which their issues had been governed. The average amount of bank notes in circulation, which had never exceeded seven millions and a half, nor fallen short of sixteen millions in any one year from 1802 to 1808, both inclusive, was in 1809 raised to £18,927,833, and in 1810 to £22,541,523. The issues of country bank paper were increased in a still greater proportion, and as there was no corresponding increase in the business of the country, the discount on bank notes rose from £2 13 2 in 1809, to £13 9 6 per cent. in 1810. The recommendation to return to cash payments, contained in the report of the bullion committee, presented to the House of Commons in 1810, appears to have given a slight check to the issues of the bank. All apprehensions from this quarter were, however, speedily dissipated, for in May, 1811, when guineas were notoriously bought at a premium, and bank notes were at an open discount, as compared with gold bullion, of upwards of ten per cent., the House of Commons not only refused to fix any certain period for reverting to cash payments, but actually passed a resolution declaring that the promissory notes of the Bank of England had hitherto been, and were at that time held to be in public estimation equivalent to the legal coin of the realm. This ever-memorable resolution, a resolution which took for granted that a part was equal to the whole, that ninety were equal to a hundred, the bank, being relieved from all uneasiness respecting the interference of parliament, stimulated the directors to increase the number of their notes in circulation. The consequence was, in 1812 they were at an average discount of 20, in 1813 of 23, and in 1814 of 25 per cent. This was the maximum of depreciation. What is very remarkable, in 1820 paper was on a level with gold.

The spectacle presented by North America at the present time, by the increase of her territory, by the annexation of Texas, New Mexico, and the two Californias, to the United States, is beyond everything known in the progress of modern events. In order to contemplate its wonders with complete advantage, we who are in the want of money must go to the gold region lately discovered, and see the thousands employed in digging the precious metals out of the rivers and the valleys in great abundance, without the payment of a sixth or a tenth for the privilege to any ruling power. At present this new discovery is in fact the cause of an emigration beyond all comparison more extensive than ever was known in the most confined portions of the old world. A broad, deep, and rapid stream of population is now running constantly to the western parts of the continent, on the shores of the Pacific Ocean, the growth of which will exceed in rapidity what we have been wont to admire on the shores of the Atlantic. This must in a short time be the means of diffusing vast quantities of the precious metals through the whole continent, in proportion as their extraordinary quantity or bulk increases. In order to enable gold and silver to maintain its exchangeable value, the coins must be increased in bulk.

In proportion as the North American coin enlarges, the European coin must sink in value, or begin to move up to its primitive standard and fineness. Where will the European nations get gold and silver for this task? Their coined money is something like their colonial trade. The least necessity to enlarge it will snap all these arbitrary modes of government to pieces. What will become of these places in America that believe they have an interest in holding on to any part of Europe? The state of New Brunswick at the present time is sickening. Its money circulation is entirely dried up, vast numbers of our young and enterprising men are leaving it every day. It is a shame and a disgrace for the Legislature of New Brunswick, at their last sitting, not to have issued half a million or a million of paper money, and made it exigible in a few years. The improvement of the country might have gone on until free trade diffused its comforts in those places where the monopoly bubble is bursting; but no! because the rulers of Great

Britain would not send over five or six millions to make a railway from Halifax to Quebec, had it been for nothing else but to carry the wind. The rulers of Great Britain never committed a greater blunder. It might have been all paid in the pure gold and silver of California, in the course of a few years, and that might have been no small assistance in helping the coin to its primitive bulk. It appears from the Custom House books, although not perfectly correct, they yet furnish an approximation to the truth, that the excess of British exports over imports, calculated at their official value, amounted during the last century to 348 millions sterling. Suppose all this to have been paid in money, it would have amounted to little more than 3 millions annually. It is more reasonable to suppose it was employed in the discharge of our expenditure; and had it not been for that expenditure such an excess of exports could not have existed. Now, this nonsensical thing called the balance of trade has been looked upon by ignorance and selfishness to be the great channel through which gold and silver flowed into Great Britain. How and in what manner the rulers of Great Britain will act when the augmentation of the American coins begins, remains to be seen.

The comparative values of gold and silver in the European markets were, about thirty years ago, 15 to 1. This was not, however, a consequence, as was supposed, of the supply of gold being less, and the demand for it being greater than silver; it arose solely from the comparative difficulty of its production. The influx of the precious metals into Europe subsequent to the discovery of America, is estimated to have lowered their value to about one-fourth part of what they formerly possessed; but the continued depression of the value of gold and silver since that epoch has not been the cause of the increase of their quantity, but of the comparative facility with which the mines of Mexico are worked. Had the expense of working or extracting gold and silver from them been as great as the expense of their extraction from the mines of Europe and Asia, the fall of the precious metals posterior to the discovery of America, would have been but temporary. The expense of mining and the tax has been a great destruction to their abundance. The only expense hitherto in getting the precious metals in California, is the great influx of the diggers in proportion to the supply of food, clothing and shelter.

WILLIAM SMITH.

Newcastle, August, 1849.

The Politician.

The Colonial Press.

Willmer & Smith's European Times,
August 25.

THE NEWS FROM CANADA.

The news brought by the last packet from Canada has, upon the whole, given very great satisfaction to the people of England. Arriving at a period when the press throughout the country is eager to fasten upon any subject to raise an interest with its readers, the manifesto of the British American League has been the theme of discussion in almost all the leading journals. We do not hesitate to say that the tone of calm ratiocination which prevails throughout the document is most creditable, especially when we consider how acutely the framers of it are suffering under the pressure of the grievances of which they so loudly complain. It is now evident that, with the full knowledge of the repeal of the navigation laws, an immense body of Canadians are not satisfied with the course of imperial legislation since 1842. For our parts we have constantly expressed doubts and anxiety thereupon. We have never concealed from either the Canadians or the people of the United States that a sudden change in the accustomed channels of trade, and the disruption of all the ties of interest which bind great communities together, still more the annihilation of those between the parent state and her colonies, would be the cause of great and deep seated discontent. It is very easy to lay down a perfect principle in theory—like a sliding-scale of duties, for instance—but in practice it wholly fails when brought to bear upon the dissimilar interests of the infinite and perpetually changing relations of the mercantile and national experience. Thus free trade in corn, which we adopted with an earnest desire to increase our trade with the United States of America, does not promise to bring a greater supply from that great community, whilst it quite precludes Canada from furnishing any grain whatever under ordinary circumstances. No wonder, then, the Canadians impeach the doctrine of free trade, and rushing into the opposite extreme, demand protection to native industry. The Canadian Corn Bill of 1843 ought never to have been passed if the corn law of 1846 was within the possibility of human occurrences.

Without censuring the parties who carried these measures, it is undeniable that with the Canadians we kept the word of promise to their ears, but broke it utterly to their hopes. They were told, month after month, in 1847 and 1848, that the increase of their timber trade was owing to the entire removal of the duties on colonial timber, when every merchant knew it was the demand for timber for railway purposes. This source of trade has sunk next to nothing, and Canada is now thrown upon her own resources. No wonder that designing politicians are on the alert to hurry her to mischievous courses. We hope they will fail. It has given great satisfaction to all on this side, that the British American Leaguers repudiate all notion of parting company with us, but cling with an affection sincerely reciprocated by all Englishmen, to the institutions of the old country. In the present early days of free trade it is scarcely possible to judge comprehensively how far the whole scheme will work. We say to the Canadians as we have said to our friends in the West Indies, the landholders of Great Britain have been themselves compelled to throw off protection with regard to their produce. Many believe it will deteriorate their property, and lessen their profits enormously. They are told they must get up early and work late to compensate for their deficiencies. They are incited to compete with their neighbors, and that, with increased exertions, they will, in spite of all rivalry, reap a full average rate of profit in the general market of the world. All protective duties are, therefore, removed. Is it not in the power of Canada still, with a large protective duty on its timber, to maintain and carry on a vast trade with the mother country? Time alone will solve these difficulties. In the meanwhile, whatever great confederation the Canadians may form, we are quite sure the statesmen who now preside over the Government of Great Britain wish that the Canadian colonies may arrive at a great destiny, and will throw no impediment in the way of any federal union which, after a deliberate discussion, may be pronounced to be conducive to the better development of the great resources of the colony. A spirit of loyalty and union, and mutual concession may yet carry us thro' all the difficulties which at present meet us on every side.

Colonial News.

New Brunswick.

St. John New Brunswicker, Sept. 4.

Reciprocal Free Trade.—We observe that the United States journals are discussing the subject of reciprocal free trade with these colonies, and from the tone of the articles it is evident that a strong feeling prevails in favor of the measure. The New York Evening Post, in an article on this subject, after referring to the bill introduced into the Senate last session by Senator Dix, providing for the admission of certain articles of the growth or production of Canada into the United States free of duty, upon the condition that the like articles are admitted into Canada on the same terms, says:—

The defeat of the bill was mainly owing to an unmanly and vindictive jealousy of the north entertained by some of the southern members of the senate. The opposition was underhanded, but it proved to be fatal.

We re-visit the subject thus early, though we think not prematurely, that such demonstration of public opinion may be educed both in this country and in Canada, as will lead to the adoption of a measure calculated to contribute immensely to the prosperity of both, and to favor that community of interest and intercourse, so material to the early realization of their common destiny.

A slight frost was perceptible in the parishes of Hampton and Norton, on the morning of Sunday and yesterday. The hay crop on the uplands, as well as the marshes, has already been cut, and is nearly all secured. The potatoes, although not a very large crop, are of the very best quality.

United States News.

From the Boston Traveller.

Cholera in Boston.—Eighteen deaths by cholera were reported at the Registrar's Office, for the last twenty four hours. Nine of this number include the Cholera hospital report for three days. Of the eighteen, thirteen were natives of Ireland, one was of Irish parentage, one of France.

Large Cargo of Railroad Iron.—The ship T. B. Wales arrived at this port this morning, from Newport, Wales, with 850 tons of railroad iron, 700 of which goes to New York.

We learn from the St. Martinsville Creole of the 11th instant, that the corn and cotton crops on Bayou Boeuf, Louisiana, have been almost entirely destroyed by the excessive wet weather. The cane crop has not been much injured. We have the same intelligence from Bayou Rouge.

The New York Sun says no less than thirty four fire engines have been built, or are now being made in that city for distant places. Each of them costs from three to nine hundred dollars.

The Mexican Government has made an order against admitting American deserters into the army.

Editor's Department.

MIRAMICHI:

CHATHAM, MONDAY, SEPT. 10, 1849.

The Subscriber having been compelled to consume a large amount of time, and incur considerable expense, in his too often fruitless endeavours to collect his far-spread Outstanding Debts, hereby notifies all persons to whom he is not indebted, and with whom he has not a running account, that orders for advertising in the Gleaner, and for Printing in future, must be accompanied with the CASH otherwise they will not meet with attention,

JAMES A. PIERCE.

ANOTHER FATAL ACCIDENT.—It is our melancholy duty to record another of those distressing accidents which have of late occurred in this community, and by which another person in the bloom of youth has been hurried into eternity. On Thursday last, Mr Alexander McFarlane, Black Brook, and his wife, went to assist some of their neighbors, whose property was endangered by the fires which are now so prevalent, leaving instructions with a boy about 8 years of age, and a young woman about 18, that if they perceived the fire nearing their own property, they were to fire a gun as a signal for them to return home. Danger being apprehended, the gun was taken down, and the girl took the ramrod to try if it was loaded, and while in the act of putting it back into its place, the ramrod came against the trigger, there being no guard, and discharged its contents into her head, fracturing her skull in a shocking manner, and forcing portions of the brain against the walls of the room. She is said to have lived for about an hour afterwards.

PROFESSOR JOHNSTON IN ST. JOHN.—The New Brunswicker of Tuesday last, contains the following:—"On Friday afternoon, this gentleman, met the members of the Agricultural Society and others interested in agriculture, at the Mechanics Institute. His Excellency the Lieutenant Governor occupied the chair, and introduced Professor Johnston to the meeting. The learned Professor then entered into a statement of the natural capabilities of those parts of the Province which he has visited, remarking that the soil is well adapted for agricultural pursuits, but recommending a thorough reform in the present mode of tillage, and suggesting the adoption of the system of thorough drainage, as pursued with success in Great Britain. The importance of applying manures chemically adapted to the soil, was strongly adverted to; also the adaptation of lime; the mode of feeding and housing stock, with the different kinds of food most nutritive and suited to the different species of cattle. The Professor forcibly recommended the dissemination of proper agricultural instruction, and called upon the people to urge Legislative attention and aid to that important subject, and to the development of the other resources of the province.—He stated, which is a well known fact, that the people of England knew but little of the value of the agricultural means of this country; and he gave it as his opinion that an approved system of immigration into this Province would operate favorably on the farming interests.

"In closing the meeting, his Excellency remarked, that very beneficial results were likely to accrue from Professor Johnston's visit to this Province."

THE SEASON.—The weather during the past week has been very favorable for the housing of the grain crops, which are, generally, we are glad to learn, such as to fill the mind of the husbandman with the hope of better times than we have had for the last two or three years. High winds, however, prevailed to a great extent, causing the fires which were incautiously, and we believe illegally, set