

carried to the credit of the loans. I believe that New Brunswick could, if moderately aided, ultimately make her great lines, absorb and provide farms for millions of emigrants—increasing the home market for British goods by the annual amount of their consumption—and, in a very few years pay any loan she may require to contract without costing England a farthing.

The resources of Canada are well known to your Lordship.

Her interest in these great works cannot be exaggerated, and must be greatly enhanced by the approaching removal of the seat of Government to Quebec. They would bring her productions to the seaboard at all seasons of the year; connect her by lines of communication with all the other provinces, and with the mother country; preparing the way for a great industrial, if not a political union, of which the citadel of Quebec would ultimately form the centre. That her Government would second any policy by which this might be accomplished there is no reason to doubt.

My Lord, there is one topic of extreme delicacy, perhaps, and yet, so far as my own province is concerned, I will venture to touch it without hesitation. Some of the British Colonies aspire to obtain notoriety, just now by spurning from their bosoms the criminals of England, without modestly remembering that some of them, at least owe their original prosperity to such emigrants, and that thousands are annually tempted or driven into crime in this country, by the absence of employment, and by the resistless pressure which the slightest derangement in this highly artificial state of society creates. I believe that among the 43,000 persons convicted in this country in 1848, some thousands were more to be pitied than condemned. If such persons, organised and disciplined, were employed upon the public works of North America, as has been suggested. I believe that they would ultimately be restored to society, and that the Government would be immediately relieved from serious embarrassment. I do not shrink from the responsibility of making the suggestion, nor will I shrink from my share of the responsibility of carrying it out. The people I represent, my Lord, are generally a religious people; who know that our Saviour had none of the sensitiveness manifested at the Cape. He found some virtue in the poor woman that all the world condemned; and did not consider at least one of the malefactors unworthy of Heaven who were hung beside him.

It has been suggested, that convicts might be advantageously employed on a large scale, in North America, for the construction of a railroad to the Pacific. I should like to see the experiment tried upon a small scale first, and do not believe that if a judicious selection were made of those whose offences were superinduced by poverty and extreme distress, or of those whose conduct in some probationary course of punishment had been exemplary, the North American Colonies would object to such a trial, if an appropriate choice were made of some locality along a great line in which they feel an interest, and if the men employed were properly officered and controlled by stringent regulations. A corps of 500 might be formed, subject to military organization and discipline, with the usual prospect of promotion to subordinate commands if they behaved well. Summary trial and punishment should be equally certain if they misbehaved; solitary confinement in the Colonial Penitentiaries would be an appropriate punishment if they deserted or committed any new offence. If a portion of comparatively wilderness land were selected for the experiment, the men might have six pence per day carried to their credit from colonial funds, while they labored, to accumulate till it was sufficient to purchase a tract of land upon the line, with seed and implements to enable them to get in a first crop when the period of service had expired.

This experiment would, I believe succeed. It would cost the Imperial Government nothing more than it now costs to maintain the people elsewhere. The Colony where they were employed would get the difference between sixpence per day and the ordinary rate of wages to compensate for any risk it might run, and would besides ultimately secure customers for wild lands, and many useful settlers.

In conclusion, my Lord, permit me to crave your indulgence for the length of this communication, which would be an unpardonable intrusion upon your Lordship's time if the topics to be discussed were less numerous and important.

I have, &c.

JOSEPH HOWE.

To the Right Hon. Earl Grey, &c.

European News.

Arrival of the Steamer Canada.

From Willmer & Smith's European Times, May 17.

The excitement in the cotton market on Monday was intense, and had the week closed as it commenced, the consequences would have been ruinous to many established houses of character and resources. A panic is not less disastrous to the commercial world than to troops under arms. All confidence and self-possession is lost; fear magnifies danger, and events which, in moments of coolness and reflection, would be estimated at their value, assume shapes which paralyse the mental powers, and produce the most lamentable results.

Our commercial article, in another column, will show the astounding effects which followed the arrival of the America's news. The Cotton market had been giving way some time previously under the pressure of the heavy receipts at the ports, so far in advance of the previous estimates, as a reference to the scale of prices will show. The America arrived early in the morning, and when the nature of her advices transpired, the uneasiness became manifest. As the day advanced this feeling increased, and when the day closed the dismay was general. Rumors of the most painful kind prevailed, and the total absence of confidence was becoming general. Tuesday was also passed in a state of great despondency, and it was not until Wednesday, under a bright sky and cooler judgment, that people began to ask themselves whether any substantial ground for alarm existed. During the subsequent part of the week the market rallied, but it closed yesterday at about a farthing per pound lower than the rates which prevailed during the previous week. The prices which ruled during the excitement were, of course, extremely irregular, and in some instances large sacrifices were made, it is needless to say, to effect sales. Many, in the hope of escaping ruin, courted it.

The friends of our North American Provinces are taking a decided stand against the proposed repeal of the timber duties. The London Tavern has been the scene of a meeting called to remonstrate against the Chancellor of the Exchequer's attempt to introduce foreign, to the exclusion of North American, timber, as being an anti-imperial policy, most injurious in its effects on our own Colonies. These well intentioned gentlemen are rather late in taking the field. The Chancellor's budget has been some weeks before the country, and he is now fast pressing it through the House. Had the attempt been made earlier, the fact would have been more creditable than the tardy zeal which is now evinced. The advertisement convening the meeting, states that a continuance of Lord Grey's Colonial policy will assuredly sever Canada from the British Crown. His Lordship, we fear, is too callous to be affected by this treat, for he has already foreshadowed in his Despatches the possibility of such an event.

The attention of politicians is once more directed towards France, watching the development of events in that Republic,—events upon which depend not only the tranquillity of France itself, but of almost every other country in Europe. We have repeatedly said that the only man who could fairly cope with Louis Napoleon, as a rival for the future presidency, would be General Cavaignac. We have urged that the republican general is indeed the only one fitted, by personal courage and political resolution, to stand up against similar characteristic qualities which distinguish Louis Napoleon. The hero of Strasbourg and Boulogne will readily risk his life to compass the object of his ambition. Gen. Cavaignac will draw the sword for the purpose of preserving the Republic, whether it be endangered by the usurpation of a Bonaparte, or by the intrigues of a Bourbon. We were therefore prepared for the declaration now made, that General Cavaignac is a candidate for the presidency. This is announced not only by the party of order, but even M. Emile de Girardin has taken the General under his recommendation. The great leading journals seem disposed to favor his views, and the argument used, "that to vote unconstitutionally for Louis Napoleon, would be to render Ledru-Rollin constitutionally eligible," will make millions pause before they venture to support the claim of Louis Napoleon in defiance of the constitution. In fact, the reelection of Louis Napoleon in spite of the law would be the annihilation of the Republic. The great fall in the French funds during the last month indicates the increasing uneasiness of the nation. Intelligent and impartial spectators of the passing events perceive very clearly that Louis Napoleon has no ground whatever to stand upon, when he presumes to place his own personal ambition against the express law of the constitution; and there is no doubt an increasing adverse feeling against his pretensions in the public mind, which even his unscrupulous organs cannot altogether conceal. With the army he is, however, still popular.

The industrial classes at Lyons and in other manufacturing towns are becoming daily more and more discontented as they are less employed; and the energy of M. Leon Faucher in suppressing every indication of disturbances is met by increased activity on the part of the Socialists. Conspiracies and manufactories of gunpowder are being continually discovered.

The envoys at Frankfort have had a plenary sitting, and the formal opening of the Diet will, no doubt, soon take place.

The evacuation of the Danubian principalities was to be completed by Russia on the 9th inst.

The Austrians in Italy seem to take great umbrage at the Italians because they refuse to smoke. Their refusal is deemed a political offence!

Since the nomination of the Duke of Saldanha as Prime Minister of Portugal, which we announced last week, the Queen has been expecting him at Lisbon, to which city he has been summoned. His popularity in the north is now unbounded, and it remains to be seen whether he will trust himself at Lisbon without a large body of troops. Intrigue is rife amongst all parties at Lisbon, and even the resignation of the Queen in favor of her son has been spoken of. We wait Saldanha's arrival at Lisbon before we speculate upon

the ultimate issue of this revolution. The Count de Thomar and his party are crushed, but will the revolution stop?

The Queen of Spain is once more *enceinte*. The Queen-Mother has fractured her leg.

The advices brought by the Hellespont from the Cape of Good Hope are to the 4th of April, and we regret to say that the intelligence is altogether of the most unsatisfactory character. Sir Harry Smith has, no doubt, executed some predatory excursions in the neighborhood of King William's Town and on the banks of the Keiskamm river; he has carried off large herds of cattle, and destroyed the crops in the same way as the Kaffirs ravage the country, but he is compelled to return to King William's Town, his forces being wholly inadequate to undertake anything like a comprehensive scheme of military operations. Beyond the sphere of the isolated forts scattered all over the country, the Kaffirs are in the field on all sides. The communications between King William's Town and the coast are threatened by formidable bands of Kaffirs, and if they venture so close in that quarter, it is very plain that at more distant spots, such as at the north of Kat settlement, and at various other places, they are complete wasters of the country. We are told that the Zooloos, whose march was countermanded at the last accounts, when on their way to aid Sir Harry Smith in British Kaffraria, have once more received orders to proceed, and that the people of Natal have been thrown into the greatest consternation by their proceedings. However this may be, it appears certain that a vast body of bushmen from the Drakensburg (the hills which divide Natal from the Orange River Sovereignty) are bearing down towards Burghersdorp, and we do not know what force can resist them. If they had crossed the hills they might have ravaged Natal with impunity. At Cradock, Cradock, and at all points a more desultory warfare is carried on, which cannot have the smallest effect upon the general issue of the war. The defeat of the Kaffirs at Fort Armstrong by Colonel Somerset, instead of crushing the rebellion, has only incited the various tribes to fresh hostilities. The son of Hermanses is in arms against us. The position of Sir H. Smith must be most deplorable. In the meantime the expense of the campaign is daily increasing. The Boers do not, except in some instances, turn out with any alacrity; and we see no hopes whatever of bringing the war to a speedy or successful termination. There are too many parties besides the hostile Africans who are interested in making the affair one of profit to contractors. Sir A. Stokenstrom has sailed for England.

ITALY.
The Roman correspondent of the Morning Chronicle, thus describes the state of affairs in the Eternal City:

The unsettled state of France and Germany, the uncertain fate of the Ecclesiastical Bill in England, and the deep-rooted hatred of the Romans to papal temporal dominion, have spread a heavy gloom over the Ministers of Pio IX., who now well know their dangerous position, and which they might have averted by substituting clemency for vengeance; in the meanwhile the Mazzini party openly avows its intentions, and prepares for the shock with men, arms and money; but their hope of subverting the Government rests upon the Chaos now reigning in France and Germany.

I have learned from authority in which I have some confidence, that Cardinal Fornari, who was nuncio at Paris, has spoken his mind very freely, and warned Pio IX. of the consequence of dogged perseverance in the present system.

It is now evident that the Roman Government is determined to carry out the notification published last November, to levy a tax upon commerce industry and arts, a tax which is out of proportion to the means of those upon whom it is to be levied. It is unequal, partial and unjust—partial, because the aristocracy and ecclesiastical establishments are exempted; unequal, because small capitalists are to be called upon to pay a tax very little less than the lavethian banker, who is a *millionaire*; unjust, because commerce is so paralysed between paper currency and copper, that the profits are miserable and the risk immense. Not much difficulty will occur in collecting the tax where Austrian and French bayonets prevail, but in the Provinces, where there are no foreign troops, it can only be levied through the medium of the Roman *sbirri*, and will not be so easily done.

The death of the celebrated bandit, Il Pasatore, has rendered travelling in the Romagna less dangerous; still we have occasional reports of robberies committed on the high roads during the day and night. As for the city of Rome, notwithstanding the French army, the gendarmerie, and the Roman *sbirri*, shops are broken open every night. Last week a watchmaker's shop in the Corso, belonging to Signor Maglieri, was broken open and emptied not only of the watchmaker's property, but of the watches belonging to persons who left them there to be repaired. The thieves have never yet been discovered.

A spirit of personal animosity not only exists between the inhabitants and the French troops, but between the Roman troops and the French, which produces almost daily collisions and loss of life. The provocation generally proceeds from the French, and the want of discipline in the Roman troops immediately brings the dispute to a sanguinary settlement; but what is really amusing is, that the greatest insult that a French soldier can offer to a Roman soldier is to call him a "Soldat du Papa," and vice versa.

It is no use mincing the matter; it will never be possible to produce cordiality between the French and Roman troops, and so we must come to the conclusion that the Roman government can only exist in connection with a permanent occupation of the Roman states by foreign troops.

These collisions between the French and Roman soldiers are now more frequent than ever, the people of Trastevere often joining the Roman soldiers with knives and stones.

Turkey.—A Commission has been named to examine into the state of the Turkish navy, which is in such a state that not one of the vessels is fit for sea, in spite of the efforts made by the English officers to put them in order, probably from the crews not being able to follow out instruction which they did not rightly comprehend.

Bosnia.—The Journal de Constantinople states that Omer Pacha had attacked and dispersed the insurgents in Bosnia under Ali Keditch and Cadi Kapitch. A great number of the rebels were killed and many taken prisoners. Amongst the latter were several foreign officers. The same Journal mentions that nineteen prisoners of the Province of Vidin, and forty Samians, compromised in the late events, had been pardoned by the Sultan.

According to letters of the 2d, from the Bosnian frontier, the revolution is completely crushed. Almost all the insurgent leaders are in safe keeping in Austrian Croatia. Terrible excesses have been committed by the victors. The houses of the Moslems in the neighborhood of Binacs have been sacked and burnt, and the shops in the town plundered by the Arnauts.

The Great Exhibition.—The Exhibition has now been open to the world more than a fortnight, pages and columns have been written upon the subject, but so attractive, so diversified, so beautiful is this surpassing spectacle, that the admiration of those who have visited it is only just expanding into full blown delight, whilst those who have not yet seen it are making preparations on all sides to proceed to the Crystal Palace. It is an undoubted fact that with all the exertions of the press to find appropriate language adequately to describe this marvellous palace of treasures, the various accounts put forth, fall short of conveying a correct idea of the infinite beauties which are collected together. If the world had been doomed to destruction, and it had been predetermined to preserve specimens of every inanimate object in existence, here in fact you have a second Noah's Ark, with every article in its rarest and choicest form. Perhaps the best proof of the success of the undertaking is the continued sale of the season tickets at £3 3s. each. Notwithstanding that thirteen days of the 'season' have passed, people find that the more frequently they visit the building the more fascination they find in the Exhibition, and with a full consciousness of what they are doing, they pay the money. The daily receipts hover about two thousand pounds, but the weather has not yet been as favorable as I could have wished. Whenever there is a really fine warm day, it is felt in the increased receipts, which have sometimes reached two thousand two hundred pounds: an enormous amount when it is considered that eight thousand eight hundred visitors are required to bring in that sum at five shillings each. The success of the undertaking as a mercantile affair is beyond all doubt. This success is animating all parties.

TRADE.—Many occurrences have taken place since our last to influence the commercial and monetary operations of the country. The rapid and serious fall in the prices of cotton, amounting almost to a panic, produced a good deal of business both in Liverpool and Manchester, as well as generally throughout the manufacturing districts. Within the last two days, however, a great improvement had been manifested, and business assumes a more healthy aspect. The Parliamentary decisions of both the Ministerial and the Opposition parties, especially the inexplicable 'counting out' of the House of Commons in the beginning of the week, when it was expected that the precise policy of the Government in regard to the basis of future taxation would be elicited;—the defeat of Ministers upon Lord Naas' motion in reference to British spirits; a motion having for its object to relieve the British distiller from being compelled to pay English duty upon his exports, and the consumer from paying duty upon whatever leakage may take place in bond. The prospective defeat of the amendment, also, upon two questions vitally affecting Colonial interests—namely, the adulteration of Coffee, and the relief of the sugar refiner from those bonding regulations that now virtually exclude him from the home market, except in competition with the Belgian and Dutch refiners. Each and all of these influences have had their effect upon trade throughout its ramifications.

LATEST INTELLIGENCE.

House of Lords, May 16.—A question by Lord Stanley led to some discussion relative to the propriety of affording Parliamentary aid for the construction of Railways in British America.

Earl Grey said a question of this importance required mature consideration, and the Government was not prepared, under present circumstances, to take upon itself the responsibility of encouraging a work of such magnitude.

House of Commons, May 16.—The Speaker took the Chair at 4 o'clock.