

EUROPEAN NEWS.

From the London Times, May 1.

THE BUDGET OF THE CHANCELLOR OF THE EXCHEQUER.

The Chancellor of the Exchequer made his financial statement. Reminding the Committee that an important branch of the revenue had ceased by lapse of time, and that a considerable deficiency would consequently ensue, he invited both sides of the House to dismiss all prejudgments and prejudices, and join him in calmly surveying the exact financial position of the country. When a financial Minister found himself in this condition, with a considerable deficiency in the public income, it was obvious that the methods by which that deficiency should be supplied must be the most practicable and the least unpopular. The public revenue was raised by three methods—by duties upon foreign articles imported by duties upon articles of domestic manufacture, and largely by a system of direct taxation. A very considerable amount of revenue was still obtained by the first method, and, looking at what had been done in the present and preceding Parliaments, he did not think that the prospect of supplying the deficiency by increasing the Customs duties was very encouraging. Since 1842, the reduction of those duties had been systematic and continuous, its aggregate amount in the last ten years being nearly 9,000,000. Had he a more encouraging prospect by having recourse to duties upon articles of home manufacture? Two opinions prevailed as to the means by which the industry of this country might be relieved; one party advocated the repeal of Customs duties; another the remission or reduction of those of the Excise; what prospect of success then had a Chancellor of the Exchequer whose means of supplying a deficiency of income were limited to these two important sources of the public revenue? Even those who considered a Customs duty as the greatest of fiscal grievances had evinced during the last ten years, scarcely less repugnance to raising a revenue on articles of domestic production.—Whilst 9,000,000 of Customs duties had been repealed, in the same period Excise duties had been remitted to the amount of nearly 1,500,000, and only that day week a proposal was made to repeal more of those duties to the extent of 1,400,000. A finance Minister, therefore, who proposed to supply the deficiency by a Customs or an Excise duty would embark upon a hopeless enterprise. What was the prospect in respect to what was called direct taxation? During the last ten years, considerable experience had been had of the temper of the House as to this mode of raising the revenue. The late Sir R. Peel introduced the property and income tax apologetically, as necessitated by an emergency; he framed it upon a large basis of exemptions, and it was so modelled that the multitude should not feel the oppressiveness of the tax. It had, however, become so odious and unpopular, that it had been renewed only provisionally, and was now submitted to the critical scrutiny of a committee up stairs. The feeling of the House in respect to direct taxation was, therefore, scarcely more encouraging than as to indirect taxation. As a member of the Property Tax Committee, he could say that they had received the amplest evidence from the ablest practical men as to subjecting incomes of a temporary and a permanent character to the same rates of assessment but that, if their suggestions were adopted, he was sure that schedules A, B, and C would not be less odious than schedule D. There was another point, upon which the Committee was almost unanimous, namely, that if taxation of this character was to form a permanent feature of our system of finance, it could not rest upon a system of exemptions. Direct taxation should be nearly as universal in its application as indirect taxation. But he could not shut his eyes to the fact of the abolition, last session, of one of the most considerable sources of our direct taxation, by the repeal of the window duties which had sacrificed nearly 2,000,000, and the substitution of a house duty, which, by touching only 400,000 houses out of 3,500,000, practically announced that direct taxation was intolerable unless based upon a large system of exemptions. The House having disapproved of all the three methods of raising revenue, he came now to consider the exact state of our income and expenditure. The late Chancellor of the Exchequer had estimated the amount of the income for the year ending 5th of April last at 52,140,000; but the actual income was 52,468,317, exceeding the estimate by 340,000, notwithstanding a large remission of taxes. The Customs, estimated at 20,400,000, had yielded 20,673,000; the Excise, estimated at 14,000,000, had turned out 14,543,000; the Stamps, taken at 6,310,000, had produced 6,346,000; for the taxes calculated to give 4,348,000, owing to the repeal of the window duties, only 3,601,000 had been received; the Property and Income tax, estimated at 5,380,000, had realised 5,283,000; the Post office, instead of 830,000, had produced 1,055,000; the Woods, estimated at 160,000, had been 190,000; the miscellaneous receipts and old stores, which had been estimated at 712,000, had produced 682,000.—The estimated expenditure had been 50,247,000; the actual expenditure was 50,291,000. The estimated expenditure for the current year, ending in April 1853, was 51,163,979—viz:

Civil Estimates,	4,182,086
Caffre War,	660,000
Militia,	350,000
Total, £51,163,979	
He now came to the sources of supply, and he took up their respective amounts as follows:	
Customs,	£20,572,000
Excise,	14,601,000
Stamps,	6,339,000
Taxes,	3,090,000
Property-tax, (half a year)	2,641,500
Post Office,	938,000
Woods,	235,000
Miscellaneous,	260,000
Old Stores,	400,000

Total income, £48,983,500
This would leave a deficiency of 2,180,479, but without the moiety of the Property Tax the deficiency in 1854 would amount to 4,820,000. If that tax had been continued for two years instead of one, its produce in the year ending the 5th of April, 1853, might be estimated at 5,187,000, which would make the whole estimated income of the year 1852-53 51,625,000, and as the estimated expenditure was 51,163,979, then there would be then a surplus of income over expenditure of 461,021. It appeared to Her Majesty's Ministers that the course which, under the circumstances they should recommend—one which he thought no prudent man could hesitate in adopting—was the continuance of the property and income tax for a limited period. They would not shrink from the task of surveying the whole system of our finance, with the hope of inducing the House to come to some clear and decided opinion as to the principles on which the public revenue should be raised. It would have been observed in conclusion, more agreeable to him to relieve the industry of the country, and to attempt a fair adjustment of taxation upon right principles; but his duty was only to place fairly before the House the condition of the public finances, and to offer the advice which Her Majesty's Government had felt it their duty to tender. He accordingly moved a Resolution to the effect that the Property and Income Tax be continued for one year.

Sir C. Wood concurred not only in the course pursued by Mr Disraeli, but in most of his observations. He accepted his statement as affording the strongest testimony to the success of our commercial and fiscal policy for the last ten years.

Mr Hume drew the same conclusion, and hoped that Mr Disraeli reflected with some remorse upon the attacks he had made upon the late Sir Robert Peel for introducing that important change in our commercial and financial policy.

FOREIGN NEWS.

It is believed by persons who profess to be well informed, that the Italian question is likely to become once more one of interest.—Private letters from Rome and some other points of Italy express a similar opinion.—The visit of M. de Rayneval to Paris, ostensibly *en congé*, could scarcely pass unnoticed; and, as might have been expected, it has given rise to a variety of conjectures, the truth of which it is not easy to vouch for.—Amongst other rumours, one is to the effect that his visit is not unconnected with the expected establishment of an Imperial regime in France; and even a whisper goes about—strange as you may suppose it—that a consecration by the Pope will not be wanting to render still more complete the similarity of the events of 1852 with those of 1804. Others refer the visit of the envoy to a desire on the part of His Holiness to explain to the French Government the actual position of the Papal States and the real intention of their ruler; and you will find a few who suspect that the expected presence of the Archdukes in Rome has something to do with that of M. de Rayneval in Paris. The visit of M. de Butenval (who, by the way, was to have taken his departure for Turin last night) is also believed to relate to the Italian question.

When the principle of popular sovereignty was proclaimed in France, and the *souvenirs* of the Empire awakened with the chances of an European war, the Italian Liberals began to indulge in new hopes and listen to the propagandism which would make the Romans believe in the approaching realization of the reforms contained in the famous letter addressed to Colonel Ney—the Neapolitans in the re-establishment of the Murat family on the throne of the Two Sicilies—and the Lombards in the re-construction of the ancient kingdom of Italy, or its union with Piedmont in compensation for Savoy, which will fall to France. These ideas and hopes were so circulated in the Peninsula that it was for a moment thought the Italian Governments, with the view of preventing popular explosions, were preparing to make concessions, proclaim an amnesty, and re-establish the institutions of 1848. Time has shown how little founded were these expectations, as the policy of the Governments soon became quite in an opposite sense.—The King of Naples, in fact, has increased the rigour of his domestic policy, reinforced his army, fortified Gaeta, and adopted necessary measures for the repression of any attempt at revolution or a change of dynasty. The Grand Duke of Tuscany, under the influence of the Court of Rome, annulled one by one the guarantees the country had long enjoyed, and he is still disposed to suppress the Leopoldine laws relative to mortmain, to clerical jurisdiction, and to ecclesiastical immunities. The Ministers, with the excepti-

on of M. Poccella, having tendered their resignations rather than accept those conditions of office the Grand Duke hesitated in adopting a decisive measure, all the more that the Chargé d'Affaires of France is reported to have declared that his Government would see with dissatisfaction any change in a reactionary sense. In the meantime I am informed, on good authority, that the discontent is on the increase, so much so that the Austrian corps that was to quit Tuscany will, perhaps, still remain there some time longer.

But it is particularly at Rome that the spirit of resistance to every step of reform is most severely felt with reference to external and internal affairs. Not only has the Pope not re-established the institutions which existed in 1848, and which he himself had granted; not only has he not taken any account of the letter of the President of the Republic of the 18th August 1849, but he has not even carried into execution the incomplete measures indicated in the proclamation of Gaeta in the month of September of the same year. The old system of oppression has been maintained in all its vigour;—ecclesiastical jurisdiction, the Inquisition, the Tribunal of the Vicariat, have been re-established; and the superior administrative functions have been again placed in the hands of the clergy.

From the Liverpool Mail, May 1.

FRANCE.—In a manner at once artful and peculiar to himself, Louis Napoleon has denied that the army will proclaim him Emperor on the 10th May—an event which he says must be initiated by the constituted powers, and with the consent of the whole nation. The fireworks destined for the 10th of May were exploded at Vicennes on Tuesday.

GERMANY.—The Grand Duke of Baden breathed his last on Saturday, after a long and painful illness. It was decided that on the demise of the Grand Duke the hereditary prince Louis should be called to the throne, and that Prince Frederick be charged with the regency. The oath of allegiance is to be taken to both princes. The hereditary prince is subject to continual nervous attacks, which paralyse his intellectual faculties, but he has lucid intervals.

SPAIN.—A deputation from the Press had an audience on the 20th of the Minister of the Interior, urgently soliciting the Queen, through the Government, to modify the new law respecting the responsibility of editors, which, if not granted, will render it impossible for the greater part of the political Journals to appear after the close of the month of April.

THE CAPE OF GOOD HOPE.—The Amazon, 26, captain Barker, arrived at Spithead, on Sunday morning, from the East Indies and the Cape of Good Hope. She has five days' later news from the latter place, having left Simon's Bay on the 7th March. Hostilities had been partially suspended by the Kafirs who had sued for peace; but as they would not agree to the terms of unreserved submission which Sir Harry Smith laid down, he was arranging a plan of operation on an effective scale, and would take the field on the 8th of March with the whole of the levies, with whom, in person, he intended to cross the Kei. Colonels Mitchell and Eyre, in the Amatolas, had been very successful. They had destroyed the whole of the crops, taken large numbers of cattle, and killed twenty six of the enemy, with a loss to the British of three killed and wounded. A desperate engagement had taken place on the north-eastern frontier, between a patrol under commandant Gillsilan and a large body of Tambookies, in which the latter lost one hundred men and one thousand head of cattle; the burghers had five killed and three wounded. Macomo maintained his hold of Water Kloof, with, besides his own clan 2,500 allies. Their expulsion appeared almost hopeless. Colonel Pole and the 12th Lancers had destroyed all the enemy's crops in the Kabousa.

The Hydra, having on board General Cathcart, had not arrived at the Cape. The Magara, with service companies of the first Battalion of the rifle Brigade on board had not arrived.

The Amazon has brought home the survivors of the Birkenhead's crew. Not a single survivor had been heard of other than those reported.

INDIA.—The Burmese expedition under General Godwin had set sail, and was expected to arrive at Moulmain on the fourth of the present month. There was already a considerable naval force there, and Admiral Arsto was on his way with a vessel of war and another steamboat. The 35th Bengal Native Infantry had refused to embark for Burmah. The 5th Madras Native Infantry had been substituted.

A second expedition of 2,500 men under Sir C. Campbell, marched against the mountain Crubes to the north of Peshawar, on the 11th of March. On the 20th they repulsed an attack made upon them by the enemy, after a conflict of three hours. Sir Colin had demanded additional forces.

The state of the Nizam is *in articulo mortis*: the irregularities of Baroda were increasing, and the recal of Lord Falkland was anticipated.

SOUTH AUSTRALIA.—Intelligence has been received from Adelaide, South Australia, to the 10th January, being several days later than that already published. The discovery of gold in the colony had turned out to be a fabrication. The Government Commissioners had a second time proceeded with Mr G. M. Stephen, the party by whom the reward had been claimed, to the spot indicated, and upon testing the soil, were unable

to procure the smallest portion of metal. Upon a previous trial every spadeful was found to yield gold, and the commissioners in their report consequently assert that pieces must have been introduced on that occasion for the purpose of deception.

The Nation states that Thomas Meagher had escaped from Hobart Town, the Government officials having arrived just too late to seize him.

An explosion of fire damp took place in a colliery at Pemberton, near Wigan, on yesterday evening week, by which no less than ten lives have been sacrificed, and six other colliers have been placed on beds of suffering with scarcely a possibility of recovery.

We have tidings of the loss of the Charles, James, master, from Antwerp, bound for Quebec with a general cargo, and some forty or fifty German emigrants. On Saturday, during a heavy gale from the east, the vessel was driven upon a formidable shoal known as Pan, near Whitstable. The boat stove in, and the passengers were expecting momentarily to be washed overboard, when fortunately they were rescued by the Nancy of Whitstable.

Emigration from Hull.—The tide of Emigration from Hull seems to be growing stronger as each successive ship is announced. All our North American fleet are being fitted up to convey persons to the far west, where golden prospects are said to await them. Either three or four of our largest ships are to sail immediately, and they are all well filled, both with human beings and cargoes of oil, earthenware, &c. There has been a considerable influx of foreigners into Hull during the past week, principally from Holland and Belgium, who are proceeding to Liverpool, and thence to America.

The Limerick Reporter says, 'The reports from various parts of the country generally concur in stating that of wheat, oats, barley, and above all, potatoes, the prospects have not been for many years so favorable as they are at this season.'

THURSDAY'S MAIL.

NEW BRUNSWICK.

The principal mechanics of Fredericton have formed themselves into a society to which they have given the name of Mechanics Association, with an admission fee of 2s. 6d., and an annual payment of 5s. They meet once in each month, with the highly laudable object of improving themselves through the mutual communication of knowledge in their respective professions. This we think the very best method which can be adopted for the attainment of the desired object; and we heartily wish to see such praiseworthy and useful combinations extend their influence through the whole Province. We have often observed that the execution of mechanical productions in Fredericton generally ranks higher in finish and durability, than that of similar articles in St. John; and the labour thus bestowed may well account for the commonly received opinion that our mechanics charge higher prices than their neighbours. From the present association we hope much good will arise, not only in the quality but also in the quantity of work hereafter to be executed; for certain it is, that where method and science are duly appreciated, not only the finer arts, but also the more useful, will flourish in proportion.—Here lies the true principle of protection.—We are also glad to find that the association has at its commencement placed its official management in good hands.—The following is a list of the office bearers for the present year:—

T. R. Barker, Esq., President.
Mr T. R. Estey, Vice President,
Mr George Taylor, Secretary,
Mr J. Stentiford, Treasurer.

Mr George Watt of Miramichi has forwarded us a handsome piece of Whetstone—a domestic specimen—as it has been quarried in a branch of the Miramichi River. It is said to be equal, if not superior to Turkey Stone, and from a slight trial of its usefulness, we are led to suppose it an excellent article for giving a quick as well as smooth edge to such tools as require it. Mechanics wishing to see it, may do so at our office.—Fredericton Reporter.

Arrival of Emigrants with Small Pox.—The bark Albion from Cork, arrived at the Quarantine Station on Thursday last, having on board 171 passengers, four of whom have small pox. In consequence, the passengers will be all landed at Partridge Island.

In our last, we noticed the arrival of the bark industry, from Dublin, with 123 passengers, all in good health, except two families that would be landed at the hospital. Since then an infant has died on board of confluent small pox; and the whole of the passengers were yesterday landed at Partridge Island, as there is reason to fear that small pox, of the most dangerous description, may appear among some of the passengers.

All persons in this city who have not been vaccinated, ought at once to attend to this matter; and we warn heads of families and others, to adopt this prudent step of vaccination, as a safeguard in case malignant small pox should reach this community.

St. Andrews and Quebec Railway.—The annual general meeting of the Stockholders of this Company was held on Tuesday last, at the Town Hall, St. Andrews—John Wilson Esq., President of the Company in the chair. The Standard says:

A lengthy and animated discussion took