

War Prospects.

The telegraphic news from Europe, published in our last evening's issue, mark another step in advance on the road to war. Lord Derby has resigned the position of Secretary for Foreign Affairs, and the Government has called out the reserves. What may be the cause of Derby's resignation was not revealed in the explanations given by him in the House of Lords. He merely said that "the Cabinet had arrived at certain conclusions in which he was not able to concur," and still he assured the House that "he did not consider these measures as necessarily leading to war." The lovers of peace will see little to console themselves with in these announcements. The measures which "necessarily lead to war" are few: while England shows every symptom of preparing for the emergency. Lord Beaconsfield's words convey the idea that the English Ministry has lost all hope of a congress being summoned, and it becomes in consequence the duty of Great Britain to make the necessary preparations for protecting her interests in the Mediterranean. It remains to be seen whether the firm attitude assumed by England may not overawe the semi-barbarous stubbornness of Russia, and bring her to the resolve of submitting the entire Treaty to the Powers. That, it seems, is the only condition on which England will consent to a Congress; and a Congress held at this time, without England, would point to war more certainly than anything that has yet happened.

The attitude of Austria is irresolute, as it always has been, save when her immediate interests were menaced. Could the protestations of the Czar satisfy his good Brother that no injury would befall him, Austria would feel no remorse in letting England go into war single-handed. But can Austria place confidence in the protestations of Russia? If she forgets history she may.

Mr. Sullivan's Speech.

We regret that we are unable to present our readers with a full report of the able speech of the Hon. Mr. Sullivan in reply to the Budget. Mr. Sullivan showed pretty conclusively that the obnoxious Assessment might be dispensed with this year. He estimates the revenue of 1878—Independent of the amount which it costs nearly twenty-five per cent. to collect—at \$233,395.56. By the curtailment of such unnecessary items as "\$100 to Galbraith's Band," he estimates that the expenditure may be reduced \$25,000, and, by dispensing with some officials, etc., whom he believes to be unnecessary, a further saving of \$1,768.97 may be effected. By retrenching in this way he believes that, without the assessment, the surplus at the end of the year would be \$45,532.70. The following is an abstract of Mr. Sullivan's estimate:—

ESTIMATED REVENUE FOR 1878.	
Balance to credit of Province on 31st Dec., 1877, as per Public Accounts.....	\$ 35,246 53
Dominion Subsidy.....	163,000 00
Public Lands.....	65,000 00
Arrears of Poll Tax of 1877.....	5,000 00
Arrears of Land Tax for 1877.....	3,200 00
Poll Tax for 1878.....	20,000 00
Receipts from Provincial Treasurer for 1878.....	33,239 28
	\$324,685 81
Refund of Land Purchase.....	8,709 75
Total.....	\$333,395 56
Estimated expenditure on basis of last year, as follows:—	
Total expenditure last year.....	\$331,632 13
Less amounts not needed this year.....	25,000 00
	\$306,632 13
Less Curtailments:—	
Legislative Council.....	\$7,000 00
Printing under Land Assessment Act.....	1,168 97
Superintendent of Education.....	1,700 00
Engineer.....	1,700 00
Registry and Ballot Act.....	3,000 00
Public Printing.....	3,000 00
Reduction in Provincial Secretary's and Auditors' Offices.....	1,200 00
	\$ 18,768 97
Total expenditure.....	\$287,863 16
Total Receipts.....	\$333,395 56
Total Expenditure.....	287,863 16
Surplus we should have at end of year 1878.....	\$ 45,532 40

Annexation Tendencies.

SEVERAL of the French Canadian journals bring against Mr. McKenzie a very grave charge. Annexation, they say, is the anathema of the Party that now rules in the Dominion. This is a somewhat startling proposition. Yet it is one which explains better than any other many strange political freaks of the McKenzie Cabinet. Certainly among his leading Ministers are to be found men who have given very strong evidence of disloyalty. Mr. Huntington, for example, believes, or at least believed, firmly in Annexation. Mr. Jones said he would cheer on the day that the British flag was hauled down from Halifax Citadel. The Premier himself gave it as his opinion that it would have been better for Great Britain, had the head of every Stuart being knocked off. It is quite true, then, that a very strong streak of disloyalty runs through the personell of the Liberal Government in Ottawa; but their leading political acts point equally strong in the direction of a policy of Annexation.

Mr. Cartwright's Shield.

HOW IT IS REGARDED ON LOMBARD STREET.

The following letter, signed "Stockholder," appears in the London *Bullionist* of the 2nd inst.:

"A cable dispatch announces that the Canadian Finance Minister admits a deficit of nearly a quarter of a million sterling. In calling your attention to this fact I have no wish to depreciate the value of Canadian securities; my own interests, in fact, lie in quite an opposite direction, and my faith in the stability and resources of the Dominion would not be shaken if the deficit had far exceeded the amount mentioned. There may, however, be reason to question the sufficiency of the attempts made to meet expenditure by wise and adequate taxation, for it is notorious that the present Administration, which succeeded to power on the collapse of Sir John McDonald's Cabinet, and in the cloud of dust raised by what was known as "the Pacific Scandal," has of late been losing its hold on the country, and, in the presence of an early general election, it may be feared that the popularity of expenditure, and, per contra, the odium of taxation, have been leading factors in shaping the policy of the Government. Hence, perhaps, the expected deficit. But another view of the matter, I think, claims the attention of British investors, to whom, in all probability, the Canadian Finance Minister will be paying another visit before long. Mr. Cartwright was over here in October, 1875, and he then showed in his loan prospectus that, in eight years following the Confederation Act of 1867, there had been an aggregate surplus of 2½ millions, sterling, and he said, "the whole of the debt of the Dominion had been incurred for legitimate objects of public utility." The bearing this had on the security he had to offer is obvious, and very likely this statement, which was in effect a certificate that Sir John Macdonald's Government had wisely and prudently administered the public funds, was true. But I gather an important fact from a pamphlet recently sent to me, and issued by a Senator of the Dominion—a wealthy man, no political partizan, but, in fact, one who was instrumental in the overthrow of the Macdonald Government, and anxious to give the men now in power a chance of putting into practice the better management of affairs which they had advocated in opposition. Here I see it stated that, in a long course extra-Parliamentary speeches made by Mr. Cartwright, in one delivered at Aylmer in September, 1877, he explained away the inconsistency between his London prospectus and his subsequent attacks upon the Macdonald Government's manipulations of the Canadian Exchequer, by an extraordinary admission, and one which he never could have contemplated reaching the ears of the London Stock Exchange:—

"My duty," he says, "was twofold. First, I had to show you, and our other friends throughout the country, how grossly our resources had been mismanaged, how grave and how great was the bill of indictment to be levelled against our predecessors. But when I went to England it was not my business to cry 'stinking fish' in the London Stock Exchange. There are two great truths underlying all discussions as to the finances of this country. One is, that the great prosperity you have enjoyed for many years was very grossly abused, and made the means of committing you to all manner of foolish engagements. Another is this—that so great is the intelligence, the industry, and the resources of the people of Canada, that, in spite of the folly and extravagance of the late Government, you are not yet ruined or bankrupt, but are making your way manfully and well out of these entanglements, and will be able in a short time, I hope, to pay your way as well as ever. It was that side of the shield which it was my duty to present to the people of England, and which, I think, I did with some effect. Your progress has been really great and marked, and your resources were likewise great. It was always so when speaking to you I displayed the brazen side of the shield most prominently, but on going to England I showed them the silver side, as I think you will admit it was my duty to do. There is no deception in the matter; every word I said was true, only I directed the attention of the English capitalists to one phase of the situation, while I directed yours to another."

The pamphleteer thus comments on the morality of the Minister:

Mr. Cartwright may say, "There is no deception in the matter," but it will require an abler man than he is to convince the world that both statements are true. Every honest man will say that he proclaimed in a shameful and "brazen" manner that when he, the Finance Minister of Canada, went to England to borrow money, he represented, or rather intended to misrepresent, the true financial condition of the Dominion; and so lost was he to all sense of honor, that he evidently was in happy ignorance of having done that which should disqualify him from representing her again on any mission, and from continuing to serve her in any capacity. Who would trust a country that retained in her service a Minister who boasted that he carried about with him a two-faced shield, representing Truth and Untruth, to present whichever face he might consider best calculated to promote his objects?

When Mr. Cartwright's confession becomes known in England, he may have assigned to him a high place among the dishonourable negotiators of foreign loans whose frauds were brought to light before the British House of Commons two or three sessions ago, and he may find himself classed with the worst of them—with those who were expressly excluded from the presence of the Queen, notwithstanding that they filled at the time the high positions of diplomatic representatives of their countries. He may congratulate himself that the austic Sydney Smith is not alive and a holder in the Canadian Loan of 1875. The holders of the loan need not be anxious. Canada will keep faith with them; but the readers

of Mr. Cartwright's speech will see with deep regret his declaration that when he issued the prospectus, on the strength of which the loan was taken, he believed it misrepresented the financial condition of the country.

This is a very grave accusation, and it is one eminently for discussion on this side of the Atlantic. The worst of it may be that the gravest interests of the Dominion are treated as a political shuttlecock by a gentleman who does not appreciate their magnitude or the dignity of his own office, and it possibly may be that before listening to the future blandishments of a Canadian envoy to Lombard street, we had better more closely examine the public accounts of the Dominion. I confess that the admission of a two-sided-shield-way of doing business is at least disquieting, and must give investors some uneasiness, and, if Mr. Cartwright should ever again have the temerity to present himself in this market, his statements must be received with caution. At the same time, I would rather think what he told the English was true, and what he told the Canadians was colored for political purposes, that conclusion being the more consistent with my own knowledge of the country and the temporary causes of depression in its trade.

Eastern Notes.

(From the K. C. Advertiser.)

Rev. Ronald B. McDonald delivered a lecture in Vernon River, for the benefit of the Temperance Society of that parish, on last Tuesday night. The number of members enrolled in this Society is over three hundred and fifty.

From the 6th of March to the 27th, inclusive, the *Northern Light* has delivered in Georgetown 60 tons of freight, 92 passengers, and 2,900 lbs. extra baggage; and in the same time 20 tons of freight, 65 passengers, and 2,100 lbs. extra baggage were landed at Pictou. Some of the freight carried is very valuable, while some of it is general merchandise of a light character and occupies considerable space. On Tuesday last the steamer brought over 100 barrels flour, 20,000 pounds timothy and clover seed, besides a large quantity of other valuable goods.

We have been thinking that the Government has lost sight of the Montague Ferry. But since it has been our good fortune to have the "Act relating to Fires, and the removal of nuisances from the streets and squares of Georgetown," continued, we should not despair. Yet we are anxious to hear our Representatives keep on talking about that "Everlasting Ferry." We certainly expect something more important than a "verbal agreement" with the owners of the *Lion* this season. There is not one member of the present Government who does not fully understand the lamentable state in which this Ferry has been left, and they cannot avoid the necessary expenditure any longer.

According to existing railway regulations people from the Eastern part of the Island going to Charlottetown to transact any business have only two hours time at their disposal, if obliged to return the same day. The Railway Superintendent must know that it is absolutely impossible to transact any business in that length of time. To make matters even more unfavorable, nearly all offices are closed between the hours of 12 and 2 o'clock. It does not suit people very well to remain away two whole days from their business. To make a satisfactory change it is only necessary to leave Georgetown and Souris about two hours earlier, and return nearly two hours later. This alteration would give passengers more than five hours to arrange their affairs before returning. A little more speed might be then worked out of the Iron Horse if he is to supersede the lame and lazy for a lengthy period. It now requires three hours and thirty-five minutes to come from Charlottetown to Georgetown, while these two points were always gained in three hours by the stage coach which has been abolished for a more costly and less satisfactory mode of travelling. There need not be the least surprise if "the railway does not pay," because many people are abandoning it altogether and falling back upon their horses and vehicles.

A DISCARDED FERRY STEAMER—WHY NOT RUN HER AT MONTAGUE?—A correspondent writing in the *DAILY EXAMINER* of the 26th inst., makes the following sensible remarks respecting the absurdity of continuing the Government steamer "Southport" on the West River Ferry:—

"The steamer 'Southport' is not suited to that river at all, and the arrangement under which she ran last year, calling at only two wharves on that river, does not suit the people and is not calculated to be a paying concern. If the steamer 'Southport' is not suitable for the ferry between Southport and Charlottetown, for which purpose she was built, why not sell her and buy a boat of less draft which could touch at every wharf on the West River—which could be run at half the cost, and make twice the money that the 'Southport' made last summer and be an accommodation to everyone who lives on the West River. Such a boat could, on market days, call at every wharf on the river to take people to and from Rocky Point and Charlottetown, or wherever wanted."

Instead of waiting to build a ferry steamer for Montague as proposed, why not place the "Southport" there immediately, owing to her great draft of water; for either the Charlottetown or West River Ferries. In this respect there is no difficulty on the Montague River—and the slips on either side contain no obstacles that could not be removed at a nominal figure. If the Government is required to build a steamer let it be for the West River Ferry, and by so doing they will meet with the hearty approval of all concerned.

RECRUITING.—A correspondent of the *Pall Mall Gazette* states that the Glasgow men are joining the army at the rate of 1,000 men per week.

MANILLA.

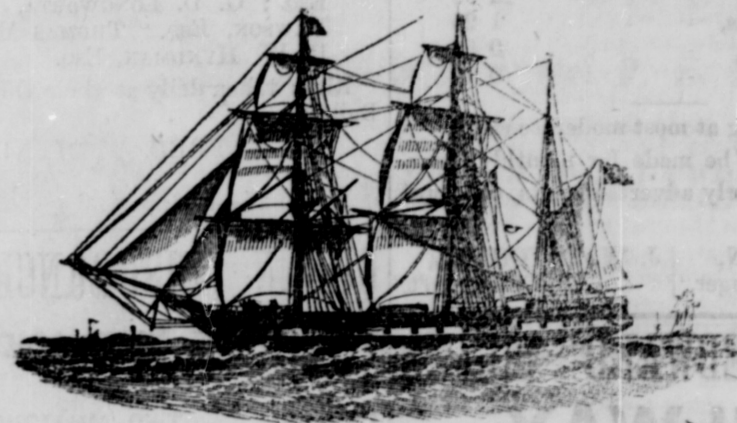
RESERVE your Spring Order, and get our Low Quotations—LOWER THAN EVER BEFORE.

CARVELL BRO'S, AGENTS.

Ch'town, March 23—sw pat a jour 21

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FROM LONDON TO CHARLOTTETOWN,



PRINCE EDWARD ISLAND, DIRECT.

1878. SPRING TRIP. 1878.

The Well-known Clipper Barkentine

ETHEL BLANCHE,

(NOW ON THE BERTH)

425 TONS REGISTER, COPPERED, AND CLASSED 9 YEARS, A1, AT LLOYDS,

JOHN GRAHAM, Commander,

WILL SAIL FROM LONDON

On or about the 1st APRIL, Carrying Freight at through rates to PICTOU, SUMMERSIDE and GEORGETOWN.

This Vessel was built expressly for the London trade, being thoroughly fitted out in every respect, with splendid accommodation for passengers, and offers every inducement to Shippers, as she has made some of the fastest passages on record, to and from London, always delivering her cargoes in splendid order, and making her three round trips regularly every season.

Parties wishing to have their Goods delivered here early in the season will oblige by forwarding their orders in time, so as not to detain the Vessel. For freight or passage apply, in London, to JOHN PITCAIRN & SONS, 69 Cornhill; in Liverpool, to PITCAIRN BROS, Brockley Buildings, 51 South John Street; or here, to the owners,—

PEAKE BRO'S & CO.

Charlottetown, Feb. 2, 1878.—3tw

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Ready-made or Made to Order.

JUST RECEIVED

A Very Large Supply of

READY-MADE CLOTHING!

HATS, CAPS, TIES,

SCARFS, SHIRTS, &c.,

—ALSO—

Tweeds, Coating and Cloths.

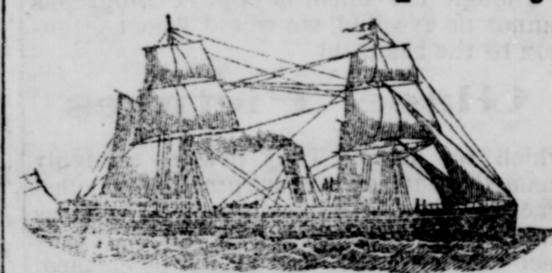
Buyers before leaving their measures or orders elsewhere, should inspect our Stock and Prices.

ROBERT ORR & CO.

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1878.

Ocean Steamship Co'y



OF P. E. ISLAND.

SPRING TRIP.

The First-class Iron Screw Steamship "Prince Edward,"

1364 Tons Register, Classed 100 A1, which is the highest class at Lloyds,

Robert Fraser, Commander,

Will be on the Berth at Glasgow to receive Cargo about the 15th March,

Leaving Glasgow for Liverpool, about the 5th April, and will leave

Liverpool for Charlottetown

On or about the 15th April,

Carrying Freight at through rates from London, deliverable at Charlottetown, Pictou, Georgetown, Summerside, Souris, Alberton and Shediac.

For Freight or Passage, apply, in London, to JOHN PITCAIRN & SONS, 69 Cornhill; in Glasgow, to JAMES KELSO, junr., 134 St. Vincent Street; in Liverpool, to PITCAIRN BROTHERS, Brockley Buildings, 51 South John Street; in Pictou, N. S., to NOONAN & DAVIES or here, to

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Charlottetown, Feb. 2, 1878.—3tw

FOR SALE,

A FIRST-CLASS Ship's Chronometer. Maker: Dent, London. Will be sold at a bargain. Apply to March 28—31 E. W. TAYLOR.

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Provision Store!

Cor. Great George & Kent Sts.

THE Subscriber wishes to inform his friends and the public generally that he still keeps on hand a choice assortment of

Groceries and Provisions,

AT HIS OLD STAND,

and will be pleased to have them call and inspect for themselves.

ON HAND,

10 CHESTS CONGOU TEA,

("New Season")

1,000 Lbs. Canadian Cheese,

10 Casks American Kerosene Oil,

(120° test; 36 cts. per gal.)

20 BARRELS SUGAR

(all kinds),

100 Bbls. Sup. Extra Flour,

3 Puns. Very Choice

MOLASSES

20 doz. Pickles, 20 doz. Assorted Jams

20 boxes Dessert Prunes,

100 Tins Sardines

CANS PEACHES, PINEAPPLES

STRAWBERRIES, TOMATOE

NEW RAISINS, ZANTE CURRANTS

DRIED APPLES, STEWING PRUNES,

300 QUARTS CRANBERRIES,

GREEN GRAPES

00 LBS. SMOKED HALIBUT,

25 QLS. CODFISH,

100 BOXES DIGBY HERRING.

and all goods usually found in a First-Class Grocery Store.

FAMILIES SUPPLIED BY THE MONTH

DONALD NICHOLSON.

Jan. 16, 1878—y.