[ADVERTISEMENT.]

Railways.—A Word of Caution from Bruce.

Editor of the Chronicle.

RIB.—Permit me a little space for a few remarks on the very important Railway topic now before the ratepayers of a portion of your County. It will be most important that they should see in the present attempt of Toronto to secure a bonus; that it is not now a war of gauges, or a choice between Toronto as a market as against Hamilton; but that this scheme has been cunningly devised and artfully planned, under the pretence of the cheapness of a narrow gauge road, to concentrate the trade of this north-western country in *Toronto*, and TORONTO ALONE.

Looking selfishly at your present position we in Bruce might fairly expect to profit by your voting the bonus, for whether you get this Railway for it or not, the trade of your western townships would flow to us, on account of our possessing access by the Wellington, Grey and Bruce Railway to the markets of the continent. Yet, who that sympathises with the struggling settlers of these new counties, could stand quietly by and see men so cruelly imposed upon as the people of Grey would be were this By-law to pass?

Your ratepayers are asked to contribute a sum of money more than sufficient (with the credit that these railway men can get on your bonds) to construct this Railway through your County (at its estimated cost per mile) without a single dollar of share capital being put in it by Toronto; and this for a road to be worked, not in your interest, but in that of Toronto. If it should be built, you will be forever compelled to sell your produce to Toronto buyers, and be completely at their mercy.

But there is the gravest reason to fear that even if you vote this bonus, your money may not be applied as you desire—you may not get a railway at all. The Toronto Company are notoriously embarrassed in their attempt to build the first section of their railway. Their stock and bonds are fearfully, almost ruinously depreciated; and it is very doubtful if they will be able, without assistance, to complete even their first section. They have not yet opened a single mile of their line, and certainly have not brought it in its construction to any point likely to be of the least service to your County.

Why then their haste to get your money? Does it not look suspicious that at such a position of their enterprize they should be so eager for the bonus of Grey? Remember, that by their charter they can *demand* your Debentures within six weeks after the passing of your By-law, and their Trustees will turn them into money at once, so that whether you get a Railway or no, you will be compelled immediately to raise the interest and provide for the payment of principal.

And further, what security do they offer you that they will not, under the artfully worded amendment of their charter, apply your money on a part of the road not contemplated by you at all. They offer you, I believe, a bond, *i.e.*, the Company's bond, in a sum equal to the bonus, conditioned for the faithful expenditure of your money. It is for you to judge of the value of the security offered, if the bonds already issued under their charter, and which by law are expressly constituted a "first and preferential claim on the property of the Company," are at such a tremendous discount, how will you be secured for your debentures (which should be worth a premium,) if they are swallowed up in some unforeseen quagmire in Amaranth or Luther? What will the proposed Bond be worth? will it not be well to pause and consider? Does it appear to you wise to act hastily about a matter of so much importance to you and your children? What good to you can be accomplished by voting this bonus now?—Do not forget the Guelph route offers superior facilities and that probably in as short a time as the Toronto one, even if the narrow gauge do all they promise, *which they never have done yet.*

What but the choice of markets at Guelph caused the streams of travel from Mono and Adjala to set in that direction last winter, instead of to Brampton, their former market, and one much nearer Toronto?—What caused the difference in price last season for Fall Wheat, as compared with the figure offered at stations on the Northern Railway?—just that competition which has made Guelph what it is, and which the Wellington, Grey and Bruce Company are prepared to offer you.

Consider too that this Bonus will cripple you for many years and under it impossible, if you should be disappointed in the Toronto scheme (and nothing is more likely) for you again to make an effort to place yourselves in your true position by subsidizing a company able and willing to give you an outlet to the markets of the world.

Yours, very truly,
SIGMA.

[ADVERTISEMENT.]

NARROW-GAUGE RAILWAY.

To the Editor of the Chronicle.

SIR,—

Apart from the exorbitant bonus asked by the Narrow Gauge Railway Company, it is important for the people of Grey to consider the prospects of their obtaining the Railway, even if the bonus were granted. The proceedings of the meeting of the Narrow Gauge Company, held in Toronto on the 12th of September last, contain many instructive facts bearing on this point which are worthy of consideration. The problem with the Company at that time was how to raise sufficient funds to carry their road to Arthur, (a problem which is yet unsolved,) Mr. Laidlaw and Mr. Gordon (the President of the Company,) had been sent to England to sell the Company's bonds; as will be seen further on they utterly failed in their mission. During their absence, and in consequence of their failure, the Directors in Toronto negociated a loan of $250,000 with Messrs. Blaikie and Alexander, for which they gave $400,000 of the Company's bonds, reserving the right of redeeming them in two years by paying back the $250,000 & *twelve per cent interest* for its use, the Bank of Commerce agreed to advance the money on the joint security of Messrs. Blaikie and Alexander, and of some of the members of the Board, the Bank was to receive six per cent interest for the loan, and, as stated above, it was to be handed over to the Company at *twelve per cent.*

At the meeting of the Company on the 12th of September, 1870, this piece of conspicuously brilliant financiering came up for consideration. In defence of the transaction, Mr. Howland, one of the Directors, spoke as follows, (the report is taken from the Toronto *Telegraph* of the 13th Sept. last.)

"Mr. Howland—A great deal has been said on the street, and by the press on the subject of these bonds, and I want to show the shareholders of this Company the real facts of the case. The shareholders probably supposed at the outset, that the bonuses received from the various sources would lay down the road, and buy iron and rolling stock on that section of it between Weston and Arthur. Many efforts had been made by gentlemen on this Board to raise money in this country to complete what we had not money enough in bonuses to finish.—*But these efforts were unsuccessful* Then, gentlemen, or I'll call them delegates as more convenient were sent to England to raise funds there, *but after a stay of two or three months they returned without meeting with any success.* As the season was passing away, and the directors were very anxious to go on with the work, applications were made to several individuals in this city to furnish money on the Company's bonds. In this we were again unsuccessful. Application was then made to the Bank of Commerce, and after some little time spent in negotiations, the Board of the Bank consented to grant the money required if responsible persons could be found to take them up, &c. The Company's directors negotiated with the Bank authorities through Messrs. Blaikie & Alexander, and these gentlemen, under our instructions, agreed that $250,000, the sum necessary to complete the road to Arthur, should be furnished by the Bank, the condition being that annual interest at 12 per cent, should be paid for the use of the money, this interest to be paid half yearly. It was then found that the bonds could not be hypothecated, there must be a sale. This was then the arrangement. That the Directors of the Company should issue $400,000 worth of bonds to the Bank, the bonds to be redeemable in two years; and for this $400,000, we, that is the company, would receive $250,000 in cash. We looked at the matter carefully and we agreed to this arrangement. We argued in this way to ourselves—Here now, we can carry on the work and extend the road to Arthur; the company at the end of two years can redeem these bonds and put them in the market at a good value. We looked on the transaction, and we look at it now as a satisfactory arrangement and in the interest of the company.

"None of these bonds have been issued yet. $100,000 worth have been lithographed and signed by the Vice-President, but they have not been used. I had forgotten to say, however, that since the transaction which I have mentioned, an amendment to it has been agreed on, viz: that the company can take up the bonds at any time by giving three months' notice.

A Shareholder—You only get $250,000 for $400,000 worth of bonds?

Mr. Howland—That's all.

A Shareholder—Then what becomes of the remaining $150,000? *Is it the buyers profit?*

Mr. Howland—*You can call it what you like.*

Following on the same side Mr. McMaster (also one of the Directors) said:

M'MASTER'S CREED.

Mr. A. R. McMaster—"Everybody in the room knows, that the object of the company was to complete the undertaking as speedily as possible. It was for that purpose that delegates had been sent to England, but, as Mr. Howland had told the meeting, they had returned without meeting success. A contract for iron had been entered into with the Aberdare works, and shipments had already been received. On the return of the delegates, arrangements had been made for raising money through a personal friend of Mr. Gordon, but they did not meet with the approval of the Board, and had been abandoned. Messrs. Blaikie & Alexander's negotiations were consummated at that time, and the Board considered it desirable and prudent, that what they had done should be confirmed, as no impartial person could doubt that by means of the money raised on the $400,000 worth of bonds, the road could be carried to Arthur.

Mr. Gordon's arrangements would only carry it to Orangeville and £7,000 had to be put up, even before those arrangements could be completed. With this, as I said before, the Board differed. How, then, was money to be raised? Mr. Howland has told you what has been done, and I feel justified in saying that the agreement with the Bank of Commerce is the best course we could have pursued."

THE BONDS IN ENGLAND.

While the two preceding speakers were clearly of opinion that the financial arrangement under consideration was the only one they could make that would enable them to carry the road to Arthur, the President was equally positive that if it was sanctioned they would be stuck at Arthur. Both parties no doubt were right. Here is the

PRESIDENT'S STATEMENT.

"The Chairman—At the first meeting of the Board after my return from England, Messrs. Blaikie & Alexander's letters were read, and a warm discussion ensued. I said at once, that I could not be a party to any such transaction; that I would wash my hands of the whole affair, and not assume or share the responsibility at all. My reasons for doing so were—First, the bonds were not redeemable for two years, and, secondly, that the sale stamped a low value on them and affected their standing in the market. Since that I never heard of any amended arrangement with the Bank until this morning, when Mr. Howland said it had been agreed that the bonds could be redeemed at any time by giving three month's notice. When I attended the director's meeting after my return, I saw only the minutes of the first arrangement with the Bank. I objected also that, at the end of two years we might not be in a position to redeem them, *so that we shall be stuck at Arthur. If I had seen or heard of the supplementary arrangement, I don't know what course I might have taken.*"

"The supplementary arrangement" was, that the bonds might be redeemed by giving three months' notice instead of at the end of two years, so that the sale of $400,000 worth of bonds for $250,000 of cash, making them worth 62½c. in the dollar, and the payment of *twelve per cent.* interest was not what shocked the President so much as the provision that the bonds could only be redeemed at the end of two years. What is the standing of any business in the County of Grey which is ready to sell its notes of hand at 62½ cents in the dollar and borrow money at 12 per cent. interest—Mr. Lailey, one of the Directors, replied to the President in the following significant fashion:

"Mr. Lailey—Mr. Chairman, you objected to locking up the $400,000 worth of bonds, for the reason that their value would be depreciated. Now, by the first proposition made, before your departure to England, to Messrs. Gooderham & Worts, relative to receiving $125,000 in cash, we had to give $293,000 worth of bonds as security for five years, so that the value of the bonds would have been reduced to 43 cents in the dollar, if that proposition had been carried into effect."

The Company which is reduced to such straits as this, is, certainly, very urgently in need of a bonus from the County of Grey, and there is no wonder that it has been placed at an exorbitantly high figure.

THE BONDS IN ENGLAND.

Mr. Laidlaw and Mr. Gordon, as already stated, went to England for the purpose of selling the Company's bonds, and how they were met there is told by Mr Laidlaw in his speech at the meeting, as follows:—

"I must tell you, gentlemen, that when we were in London we had letters of introduction from Sir Francis Hincks to Baring Bros. and to Glyn, Mills, Currie & Co.—We waited on these gentlemen. They looked at us like pieces of an iceberg.—(Laughter.) They were very civil indeed, about the weather, but they did not like to talk about bonds. We had also letters from Sir John A. Macdonald, Sir John Rose and Mr. Alexander McKenzie, and I believe they were of more use to us than Sir Francis Hincks'. We then called on Mr. Potter, chairman of the Grand Trunk Railway. He thought he could manage matters for us with Baring Bros., and get money from them at 7 per cent., if we allowed him 3 per cent. commission on the transaction to aid him in building a Union station in Toronto. We agreed to this.—We called again on Baring Bros. and also on Glyn, Mills & Co. They are the men, gentlemen, who actually own the Grand Trunk. For that reason, I suppose, they blow cold on Canadian institutions. (Laughter.) And they refused point blank to support us. They were civil and obliging as usual, but handle our bonds they would not. Just at this time Mr. Charles Douglas Fox received a letter from Toronto signed by the Vice-President of the Toronto, Grey and Bruce Railway. Its contents took my breath away. It was evidently intended to blast my character, to ruin my mission, to ——" (Cries of "Read," and great interruption).

Mr. Laidlaw continued—

"We came home. What did we find? Did we find the road progressing or things looking up? No. We found on the minutes that the directors, in our absence, had sold $400,000 worth of bonds at 62½ cents on the dollar; that they had exchanged $400,000 for $250,000. That's what we found, and I tell you, gentlemen, that this company has entered on a terrible crisis.—This company is asked by four of its directors to endorse the sale of $400,000 at 62½ cents per dollar. We had previously sold Gooderham & Worts five years' bonds at 10 per cent., or at 88 cents per dollar.

Mr. McMaster—Yes, but what was the commission?

Mr. Laidlaw—Never mind the commission. They were sold at 88c., and here, Mr. President and shareholders, you are asked to sell them at 62½. How does this happen? Who wants to sacrifice this company's money in this infamous manner?—I'll tell you. There are four gentlemen on the Board of Directors who have a secret. We, Mr. Gordon, Mr. Sheddon and myself, had no secrets. I never said or did anything yet that I would be afraid to proclaim from the housetops. I can tell you that I have had men coming into my house and planting their feet under my table, who have offered me half the plunder if I would consent to aid them in robbing the shareholders of this company, in binding them hand and foot, and handing them over to a few individuals. (Cries of "Name," "Who were they?") Now, gentlemen, you don't suppose that I am going to tell you everything. Not much. Gentlemen, by the proposition laid before you in the resolution, the bonds are redeemable in two years. But where will you get the *money* to redeem them? You can't expect to have the cash, for the road will not be making its expenses then. You can't hope to issue more bonds, for the law of the land will prevent you.—Where and how are you going to get back your $400,000 worth of bonds. That's the question you must put to yourselves."

Mr. Blaikie, of the firm of Blaikie & Alexander, in defending the firm against the charges made, said that "all (the firm) had got out of the "milking" of the company was $134 and he knew that it was well earned. The $1,600 which it had received for negotiating with the Bank of Commerce were *in bonds*, not in dry cash as the meeting had been led to suppose, and it was in his opinion a very small sum for the work done."

Mr. Blaikie evidently believes that negotiating narrow gauge bonds is very hard work, and that the bonds themselves are not of much value in the way of payment for it.

THE GREY BONUS.

At a subsequent stage of the proceedings "Mr. Laidlaw said—Gentlemen, this is the time and hour when the success or failure of this company have to be decided.—At the end of two years, if the company cannot take up their bonds, (and I cannot see or understand how they can), and if the company cannot get the Grey bonus (and Grey will give no bonus if this resolution pass); then the Wellington, Grey and Bruce Company will step in and cut us off at Arthur. How shall we be situated then?—The Wellington, Grey and Bruce will be at Harriston before we get to Mount Forest, if you sanction this resolution. The company will be bound hand and foot. It will be given up body and bones to Messrs. Howland, McMaster, Lailey and Barnhart. We shall be swamped.

Mr. Howland—There will be bonds enough to extend the road to Mount Forest at the end of the two years.

Mr. Laidlaw—No, there will not. At the rate of 62½ cents in the dollar you will have to raise $295,000 worth of bonds to build that section. You cannot do that.—The law will not allow you, the government will permit no such thing.

Mr. Howland—You forget the bonuses.

Mr. Laidlaw—No, I don't. Only $55,000 of bonus have yet been received."

It crops out here pretty clearly that Mr. Laidlaw's objection to the ruinous sale of the bonds was the effect it would have on the Grey bonus, if that little matter was put beyond doubt he could look upon the sale of the bonds at 62½ cents in quite a different light.

THE GOODERHAM & WORTS AFFAIR.

Mr. Laidlaw, in a part of his speech not quoted, referred to an offer made by Messrs. Gooderham & Worts to advance the Company $125,000 on the security of bonds as affording better terms than the arrangements with Blaikie & Alexander. Here is how Mr. McMaster understood that favorable arrangement:

"Mr. McMaster—Mr. Worts had stated that he had the $125,000, about which he had negotiated with Mr. Laidlaw lying in the bank ready for transfer all the time, and I want to know how that agrees with his statement that he did not expect to have to pay it for six months. Under the arrangements with his firm, 35 per cent. of our calculated earnings would have to be lodged in the Bank of Toronto as collateral security for the bonds. This would take away all the profits, for it was reckoned by competent authorities that 65 per cent of the earnings would be required to pay the working expenses of the road."

"The Chairman—I saw Mr. Worts on that subject, as mentioned before, and the agreement with his firm was modified so that this locking up of 35 per cent of the gross earnings would be done away with."

According to Mr. McMaster, then, the whole profits of the road were to be mortgaged for a loan of $125,000 (enough to build eight miles of railway). According to the Chairman that feature of the agreement had been modified, but as to what the modification was, and what was offered in lieu of lodging the 35 per cent. in the bank is prudently silent.

TESTIMONIALS FROM MR. LAIDLAW.

Speaking of the members of the Board who had negotiated the loan with Blaikie & Alexander

"Mr. Laidlaw said—I say that when we returned from England, we found the name of Barnhart stinking in every township along the route. (Great laughter.) Owen Sound was disgusted. Owen Sound is now negotiating to build an extension for itself, that it may be clear of men who can perpetrate such jobbery as that which is being contemplated to-day.

* * * * * * *

Mr. Laidlaw—When the sale of these bonds were being negotiated through Blaikie & Alexander, time was the essence of the contract. The "four" expressly stated that they would not negotiate with Gooderham & Worts because the President and some of the directors of the Company were in England. They have laid their schemes with admirable wisdom; when they found there was milk in the cocoa nut, they went in a cunning way to tap it, and time was not the essence of that move. [Laughter.]"

A very short time before this Mr. Laidlaw and all the promoters of the narrow gauge road vouched that these men were the very soul of honor; that they and all their brother Directors were so magnificently rich, and so very enthusiastic about the success of the road, that each of them would build a mile of it out of his own private purse. The discussion ended in the rejection of the arrangement with Blaikie & Alexander, and consequently *the means to carry the road to Arthur were not obtained.* And up to the present moment no other arrangement has been made for that purpose. Doubtless if the handsome bonus required from the County of Grey could be had, the work of financing the road to Arthur would be accomplished, and even the enormous appetite of the Caledon hills and the Luther swamps, for swallowing money might be satisfied.

We have seen that the bonds of the Company have been hawked about all over England and Canada, and the highest offer, for cash, which the Company could get for them up to September last, was 62½ cents on the dollar. Can a Company whose securities are at such an ebb as this give the people of Grey any guarantee that they will fulfil their promises, even with the exorbitant bonus of $9,000 per mile.

ONE WHO KNOWS.

[ADVERTISEMENT.]

THE SECURITY OFFERED!

The security to be given to the people of Grey by the Toronto Company for the faithful expenditure of their Bonus of $400,000, is the Bond of the Company, in an amount equal to the Bonus, and a penalty of $5,000 a month in case of delay.

Let us see what this Bond is worth as a security. The Company are permitted by their charter to issue Bonds to an amount equal to their stock and Bonus, which Bonds are to be used in assisting to construct said Railway. These Bonds are expressly constituted by the charter, "the "first preferential claims and charges upon "the undertaking, and the property of the "Company, real and personal and then ex "isting and at any time thereafter acquired, "and each holder of the said Bonds shall "be deemed to be a mortgagee and incum "brancer *pro rata* with all the other "holders thereof upon the undertaking and "the property of the company as aforesaid."

These were the Bonds about which such a fuss was made in last September, when they were offered for sale at about 62 cents in the dollar. That was the value on this first-class security—by the Toronto people themselves—and they have not been sold at a higher price since. Now, this diminution of the value of their first-class securities, is most fearful and ruinous, and no wonder they cannot get on with the construction of their road without assistance, and if they are rated so low, of what value can another Bond be to you as security for the faithful expenditure of your hard-earned money?

Your debentures can be demanded in six weeks after the By-Law is passed, and when they are once turned into money and used up, which they will be without doubt at once, your money is gone and should you then have no railway, how are you to get redress?

DURHAM CHRONICLE.

THURSDAY, DEC. 8, 1870.

The Emperor on the War.

A correspondent of the London Daily News, writing from Prussia, says Louis Napoleon ascribes the war to the machinations that was dominant in the Œcumenical Council, and chiefly to the scheming of Father Rothan, whose orders the clergy and the religious orders in France are wont to obey in political matters. The destruction of Prussian ascendancy in Germany had been made the condition of the further support of the Empire by the Church. The war for this purpose was to take place while the Œcumenical Council was sitting. The Catholic population in Germany was reckoned upon, and represented to the ignorant statesmen of the Empire as the most important and reliable ally of France in the war. It is quite true the Emperor is reported to have said, that "nobody fanned the flame of hatred against Prussia among the masses with greater zeal and assiduity than the Casholic Priesthood."

It ought to be interesting to the Emperor, as it certainly will be to the historian of the war, to trace the resemblance between the Napoleonic ideas and the facts of its history. Napoleon is an author. His works are comprised in several volumes written at intervals, and in different countries. Since his seizure of the Empire he has written and published the life of Julius Cæsar. In the preface to the latter work he says: "There is in the moral order, a paramount law which assigns to institutions a necessary limit, determined by their usefulness. Until this term has been arrived at, in other words, until a given institution has produced the utmost good of which it is capable, all opposition is nowerless; it is preserved by the irresistible force of destiny, against which all human efforts are directed in vain. But so soon as it ceases to further the welfare of the human race then it becomes as impossible to preserve it as it was before to destroy it." In the face of this doctrine the Emperor cannot condemn the Catholic Clergy. Popery is an institution, and it was within the compass of its "force of destiny" by "machination" to drive him into exile as the prelude to its own extinction. It is rather remarkable that the effect of clerical plotting against the Empire was the release of Rome from the control of the Catholic hierarchy. The attentive student of history, and the intelligent observer of current events, discerns the germ of good even in things that are evil.

The Emperor's creed receives corroboration from the course of his own apparent destiny. He has been driven into exile by a happy family of forces. The Church, the Marshalls and the Government have conspired to deceive him, and as if driven by the "force of destiny" against his better judgment, he rushes upon defeat and disgrace with his eyes open. It would appear that for all practical, mundane purposes, faith in destiny is as influential as the fact of destiny.

There is reason to believe that the Emperor has still faith in the ascendency of his star. When France has been wasted by war and desimated by internal dissensions, and after the enemy has retired beyond the new boundries, which he has obtained by conquest, Louis Napoleon, for the very reason that he has been unfortunate in war, may again, even at the bidding of the people, become the instrument of restoring order and prosperity of France to enable her at some not very distant day to adjust the account which Prussia has somewhat needlessly aggravated against herself, and as the "eldest son of the church" to chastise his venerable parent for her perfidy and deceit towards himself. Although immediately after the capture at Sedan the excitable Parisian populace defaced every thing that reminded them of the only man who, for the last twenty years, could obtain for France the respect of foreign nations, and restrain the unruly temper of a people who were incapable of governing themselves. The disposition to idolize the Napoleonic idea will be found prevalent among the peasantry. Under no circumstances is it possible that France can preserve her former relative importance in the scale of nations. With a united Germany at her doors, with a stationery population, making no progress in that respect, with her more progressive continental or insular rivals, and having lost the spirit of colonial adventure she cannot preserve her prestige. This, however, may be no cause of regret either to France or to Europe. The inability to retaliate may for the purpose of securing the peace be preferable to the ability to attack. Preparations for war facilitate the disturbance of peace, admitting the worldly prudence of the advice to "trust in God and keep your powder dry," we cannot anticipate the reign of peace until nations can be persuaded to limit all their military organizations to the purpose of defense.

Melancholy Accident.

A little boy, son of Mr. Webster, of Priceville, while returning from school on the 30th ult., fell into the river through a hole in the bridge, on the gravel road, and was drowned. A Coroner's inquest was held the following day when the jury returned a verdict of "accidental death," at the same time severely censuring the Municipal authorities of Artemisia, through whose negligince in repairing the bridge the accident occurred. It is to be hoped that this will be a warning to Pathmasters and other public officers who have crossways and bridges in charge, as negligence on their part is very often followed by serious results.—COM.

CONCERT.—The Concert under the auspices of the Good Templars, of Durham, took place as announced on last evening. Owing to the unfavorable weather, the attendance was not so large as it otherwise would have been. However, it was a success. All the performers acquitted themselves well. The Band performed their part excellent. Mr. Johns has certainly earned for himself here the reputation of a very efficient instructor. We have been requested, by those interested, to state that the Band has no authorized agents to receive subscriptions on their behalf.

REMOVAL.—Mrs. Davidson has removed to one door north of the "Glasgow House."

Railway Meeting at Durham.

As the Railway Meeting held yesterday was late before it ended, we only give Mr. Jackson's speech, which will be of interest:

MR. JACKSON said—Some four years since, I was deeply interested in endeavoring to give effect to a railway project that would have served the interior country lying between the Grand Trunk and the Georgian Bay. I failed chiefly through an adverse vote of the townships of Egremont and Normanby. That adverse vote was due in a great measure to the opposition of the men who were attacked by the narrow-gauge mania in Toronto, acting in concert with my political opponents on the eve of the general election. I may remark that if to-day Toronto finds her hold of Grey to be insecure, the trade of Bruce wrested from her, and her debt increased by $250,000, she is obliged to the gentlemen who conspired to defeat the construction of the Grey and Simcoe railroad. At the time referred to I determined to leave railway matters to other hands. I have studied to keep clear of them. Some people charge me with indifference, and others with being double minded. You have a right on this occasion, perhaps the last on which I shall address you on railway matters, to know my views and the reason of my conduct. I ask your attention then for a few minutes, and must ask you to realize, if possible, that we are here alone quietly discussing matters that concern our own welfare. I shall speak just as if these gentlemen from Hamilton and Toronto were standing behind their counters and desks. I must first notice the Toronto, Grey and Bruce application for aid; it is directly before us. The applicants, if now needy, began their career by boasting of their riches. They carved up the County of Grey into districts and made their requisitions in the bottom manner. They did not deign to ask any person's opinion. They came up, booted and spurred, and said, your purse or your life. They were repulsed, and Toronto came to their aid with $250,000. The directors managed to apply or misapply this sum to the first section. The Toronto bonus was given with a view of enabling the Directors to accept $5,000 a mile from the municipalities as the maximum bonus. In October, 1869, I went to Toronto, had an interview with the President. I am betraying no confidence in saying that Mr. Gordon saw the propriety of renewing the first offer, in its literal acceptation, to produce their road from Mount Forest to Owen Sound for $250,000, or $5,000 a mile. I stated my conviction that the amount could be had, and that I, notwithstanding the conclusion to which I had come, would render all the assistance in my power. It was arranged that Mr. Gordon should attend on the County Council, the ensuing month.—He did so, accompanied by Mr. Shanly, but only to state that the Directors, notwithstanding that they had subsequently got the Toronto bonus, would not take less than the $400,000. I felt sold and considerably disgusted. The last phase is now before you. On Monday next the eleven Municipalities in Western Grey (who are for the purpose a County, under the amended charter of the Toronto, Grey & Bruce railway) are to decide whether they will give a bonus of $400 000. Your Councillors who agreed to refer this matter to popular decision did right, but it strikes me that both the company and the council have made a grave mistake in imposing the burden of interest for the next year. The advantages and the liabilities should fall as nearly together as possible.—Some people imagine that the present strife is between the broad and narrow gauge.—This is a mistake. There are very few who entertain the idea that if the by-law before you is defeated the branch from Harriston will be built. Let us look into this matter for a moment. The Hamilton people say give us a bonus of six thousand dollars a mile, and we will build the branch.—I don't doubt their sincerity, but where is the $6,000 a mile to come from? Normanby, Egremont, Glenelg and Bentinck, is the reply. Now $6,000 a mile for 26 miles, the distance from Harriston by way of Holstein, is $156,000. Divide this into four parts of nearly $40.000 each, and I ask if any man in his senses believes for one into three, as some people would, to the exclusion of Normanby, it would make the matter infinitely worse. The Wellington, Grey and Bruce people are pushing on their work. They will be at Walkerton before we can heal the feuds which will exist if this By-law is defeated, and when once at Walkerton, the whole matter is settled, and not a man now before me will live to see a mile of railroad in South Grey, if the Northern Road is extended to Owen Sound, or even to Meaford. Some people entertain the idea that if defeated now, the Company will come down in their terms. I think that is entirely out of the question, as to the through route to Owen Sound by way of Durham. My own view of the situation is, I think, clearly enough indicated by what I have said. If there are advantages to be derived from competition between Hamilton and Toronto, in our midst, that can only be secured by voting for the By-law. If Durham is not to settle into a distant suburb of Walkerton, it must be grasped by a railroad in rivalry with the Wellington, Grey and Bruce. If this part of the County is to participate in the advantages of the trade to the North and North-West, we should be connected by rail with Owen Sound, and if the Ottawa and Georgian Bay Canal should be made, it will be of more importance that we should have a road to Owen Sound than to either Toronto or Hamilton. If I vote for the By-law, which I probably shall, it will only be because everything considered, from my point of view, that its rejection will, at no distant day, be regarded as a mistake. The question, as it presents itself to my mind, is simply this or nothing. If the by-law is carried, I have not the slightest doubt of its being built. Many of my objections to a narrow gauge have disappeared before the evidence of undoubted testimony. If it is rejected of course our trade will become tributary to the interests of the County of Bruce. Our wheat will be carried there to be manufactured into flour. I desire to say, in conclusion, and ask you to remember it so that we may compare notes on another occasion, that the opponents of this by-law, are, perhaps not intentionally, but ignorantly the enemies of Durham. I desire to say further, that I am quite satisfied that the funds of the Municipalities in Grey cannot be diverted to any portion of the line within other municipalities, and that if the By law is carried, the road will, without doubt, be made.

Another Serious Accident.

A WHOLE TRAIN THROWN OFF A BRIDGE.

TWENTY CARS AND A LOCOMOTIVE DESTROYED.

THE ENGINEER AND TWO BRAKESMEN KILLED.

Quebec, Dec. 6.—Another serious accident occurred to day on the Grand Trunk railway. A freight train consisting of twenty cars, when crossing the river St. Francis, about half-a-mile from Richmond, by some means was thrown off the track and the whole train, including the locomotive, went over the bridge into the river. The engine-driver and two brakesmen were killed. These are all the particulars I have yet been able to procure.

☞ Mr. John McNicol complains that we have done him an injury by our remarks in connection with the School Section No. 1. If Mr. McNicol desires to have the evidence upon which our statements are based, we will endeavor to accommodate him.

Messrs. Findlay & Shaw have been appointed agents at Durham for the sale of the Teas of the Toronto Tea Company.—See advertisement.

A RAILROAD ACCIDENT.

Collision on the Grand Trunk.

BRIGHTON, Dec. 3.—At an early hour this morning an accident of quite a serious nature occurred near here by the collision of two freight trains on the Grand Trunk railway, by which the following named persons were killed and eighteen cars and two engines destroyed:—Thomas Wright, engineer of No. 10 train, Charles Chaloner, fireman of the same, and a party named Ounys, who was in charge of some horses on the train. Another man, a cattle dealer, is, it is feared, fatally injured, and another cattle dealer received some slight bruises. The men on No. 15 escaped unhurt.

The accident appears to have been occasioned by the carelessness of the acting station-master at Brighton station, who received a crossing order from the Grand Trunk office at Toronto to the effect that No. 10 train, which is a merchant's express through train and has the right of way over all freight trains, was to remain at Brighton on its way westward and cross No. 15 freight bound east. The station-master did not, it seems, inform the conductor of No. 10, and he proceeded on his way, colliding with the other train at a sharp curve called "Dangers," about four miles west of Brighton. The shock was terrific—both locomotives were completely destroyed; and the freight cars of both trains, one of the cars being loaded with coal oil, catching fire, the two trains were almost entirely consumed.

The War in France.

The character of the news from Paris varies little from that which we have been receiving for a day or two past. French reports continue to assert, in the face of settled results, that the sorties of last week proved successful, and that Generals Ducrot and Ninory succeeded in breaking the German lines and now occupy threatening positions east of the Marne. If this be true it is strange that we have heard nothing of their subsequent operations, which, on the presumption that they were safely through the German line of investment, ought to be very injurious to the besieging army. The truth undoubtedly is that all the sorties failed, and that if either Ducrot or Vinoy has a large force outside of the fortifications it is in such a position as to make either an advance or a retreat exceedingly dangerous. The losses of the Saxons in the recent engagements appear to have been unusually severe, testifying to the stubbornness of the fighting on both sides. The number of French prisoners captured on Friday is mentioned as 3,000 instead of 13,000, which seemed an excessive figure.

The truth is gradually coming out with regard to the army of the Loire, and it now appears certain, as we stated a day or two ago, that the battles of last week went uniformly against it. The despatches this morning tell of another victory gained by Prince Frederick Charles over the French corps of this army, which were defeated with heavy loss and driven into the forest of Orleans. The immediate result of this disaster was the evacuation of the city of Orleans for the second time and its occupation by the German army. This important fact is admitted in a telegram from Tours, from which we infer further that Gen. de Paladine's army is retreating to the southward of Orleans with all the rapidity it can command.

A telegram from Versailles says that Gen. Manteuffel is in Rouen, which would lead to the belief that, instead of retreating towards Paris, as French reports have represented, he has been moving in a south westerly direction. If he has really captured Rouen it is another serious blow for the French.

In the southeast the Garibaldians are the Germans near Autun, but later intelligence may not bear out this statement.—*Leader, Dec. 6th.*

[ADVERTISEMENT.]

HAMILTON
Falsehoods
Exposed.

Mr. McGiverin states in his Circular as follows:—"Most assuredly the Company under it have the right to apply the money so received from Arthur and Mount Forest in such a way," and then quotes Section 1st of the amended Bill. It does not suit Mr. McGiverin to tell the whole truth, and quote the 4th Section, which is as follows:

"Sec. 4.—Any municipality, or County municipality, to the West or North West of the township of Arthur, or Village of Mount Forest, or the said townline between the townships of Luther and Arthur, which shall grant a bonus in aid of the said Railway, shall be at liberty to grant the same, for the purpose of aiding in the construction and equipment of any such section of the said Railway, as such municipality shall deem expedient; provided that the section for which the same is granted, BE DECLARED BY RESOLUTION OF THE COUNCIL OF ANY SUCH MUNICIPALITY, a copy of which resolution shall be handed to the Trustees appointed under the said Act, chaptered forty, at the time of the delivery to them of the debentures issued for such bonus; AND NO SUCH BONUS SHALL BE APPLIED OR USED IN THE CONSTRUCTION OF ANY OTHER SECTION, THAN THAT FOR WHICH THE SAME MAY BE GRANTED."

Although the above section is as clear as day, and is perfectly satisfactory to the County Council and the County attorney, yet the Hamilton gentry hope to defeat the By-law by circulating the most extravagant lies in the hope that the mischief will be done before their falsehoods are discovered.

[ADVERTISEMENT.]

Narrow Gauge Falsehoods Clinched.

AN UNMITIGATED FALSEHOOD—UTTERED AND PROPAGATED BY UNPRINCIPLED MEN—REFUTED.

The following letter from the General Superintendent of the Great Western Railway, and telegraphic answer from Joseph Price, Esq., Treasurer, of that Company, explains themselves. The statement is in keeping with all the transactions of the Narrow Gauge. Read the report of meeting of Board of Directors of Narrow Gauge held in Toronto on the 12th Sept. last. Comment is unnessary.

GREAT WESTERN RAILWAY OF CANADA,
OFFICE OF GEN'L SUPT.,
HAMILTON, Dec. 2, 1870.

MY DEAR SIR,—At your request, and in the absence of Mr. Price (our Treasurer,) I have much pleasure in advising you officially, that the English Board have now authorized the Executive in this country to arrange with the Wellington, Grey and Bruce Railway Coy. for the stocking and running of the extension of this road through the County of Grey, and that the necessary documents are being prepared by the Solicitors of the two Companies extending the provisions of the present lease and agreement to this Branch.

Yours faithfully,
W. K. MUIR,
Gen. Supt.

COL. MCGIVERIN,
Pres. W. G. & B. Railway,
Hamilton.

We certify that the above is a true copy of the letter received from the General Superintendent of the G. W. R. Company.

(Signed) WM. MCGIVERIN.
JAMES HAMILTON.

[TELEGRAM.]

HAMILTON, Dec. 8, 1870.

Col. McGiverin, Durham,
President W. G. & B. Railway.

Telegram received. I read Gordon's letter to the people of Grey, and as it conveys the impression that our President has telegraphed out to say the G. W. Railway will not take hold of the Grey Extension, I should at once advise you that such a thing is simply impossible.—What Mr. Gordon refers to is simply an occurrence of a year ago, when the deputation from our English Board was in Canada, but the great success of the W. G. & B. Railway since it was opened to Fergus, has now perfectly satisfied our Board of Directors to take hold of the Grey Extension, equip and work it in addition to the main line. I not only received the cable message confirming the recommendation of the executive in Canada as to this Company working the Grey extension, but yesterday I received by mail the board minute and letters from Mr. Baker, our Secretary, instructing me to have the legal documents prepared and sent to England at once. The extension of the W. G. & B. Railway into the county of Grey entirely depends upon the people of that county. If they prefer the old and reliable, we are ready to do our part. Muir is in Buffalo to-day; he would sign the telegram if here, but I do not like putting his name in his absence.

Signed, JOSEPH PRICE,
Treasurer.

I certify the above telegram to be a true copy.

R. FINDLAY,
Op. M. T. Co., Durham.

[ADVERTISEMENT.]

THE REAL MEANING OF THE
GREY BONUS.

In their attempts to raise money to carry their road to the village of Arthur, the best arrangement the Toronto Company could make was to sell ALL THEIR BONDS at 62½ cents in the dollar, which would not yield enough for the purpose, and would leave them without the means of getting a single mile further. Their only chance of ever getting the and through the Luther swamps is by getting their hands on the hard earnings of the people of Grey to the tune of $9,000 per mile.

NORTHERN
MELODEON FACTORY,
Division Street, Owen Sound,
ESTABLISHED IN 1860.

J. SLOAN respectfully directs the attention of intending purchasers to his large and varied stock of Instruments of every style and finish, which for purity of tone, beauty of finish, and all the essential qualities of first-class Instruments, stand unrivalled in the Dominion. Each Instrument is warranted for 6 years, and kept in good order free of charge. Also the only Agent in the adjoining counties for Heintzman & Co.'s Pianos, which have been awarded the first prizes at the last two Annual Exhibitions of Ontario, above all other competitors; they are warranted for five years. He will deliver them in Owen Sound free of charge, at Manufacturers' prices. Price List on application. Pianos tuned. A large stock of first-class Concertinas always on hand, at the lowest possible prices.

Dec. 6, 1870. 201 6m.