guilty subjects, but our subjects still. By force of arms have we recently asserted our right to rule oxer them, and we must now show towards them the magnanimity of rulers. Lastly, we should not forget, that if grievously sinned against, we may have to some extent sinned also; that we have to answer for our own shortcomings and defaults, whereby we placed sore temptation before a people who have no true religion, no true morality to sustain them; that while but too many have done that which can never be palliated or condoned, numbers have been guilty in various lesser degrees. There is a Judge over both them and us. Inasmuch as we have been preserved from impending destruction by His mercy alone, we should be merciful to others; reflecting that if He were to be extreme to mark what we have done, and still do amiss, we should forfeit that protection from on High which alone maintains us in India.

22. The high amount of the charges arising from the levy of extra troops, from the mis-cellaneous war expenses, from the supplying of the army before Delhi with cash, rendered it probable that financial pressure would be felt. A public loan was therefore opened, bearing 6 per cent. interest, and repayable within one year. The chiefs, independent and feudatory, evinced their loyalty by subscribing liberally. The mercantile class, though some of them con-tributed largely, as a body withheld their money, thereby disappointing expectations which might have been fairly formed on account of their known wealth and prosperity. The novelty of the requisition may have been one reason why they hesitated to embark their capital on British securities. But it must be confessed that their tardiness and unwillingness in this matter indicated their opinion regarding the character of the contest in which we were engaged; ultimately however, upwards of 42 lakhs of rupees, or 420,000*l*. sterling were raised.

23. The traitorous symptoms evinced, and the intrigues set on foot by the non-military Hindoostanees in the Punjab territories, rendered it necessary to remove large numbers of them. These people were employed to a considerable extent among the police and other subordinate civil establishments; and as camp followers they swarmed in every cantonment, and in 'the adjacent cities. Most of the lower class of employés were discharged, and numbers of the camp followers deported out of the province. Such measures, though severe, were at that juncture necessitated by the conduct of these people; but when the present trouble shall have passed away entirely, it may not in future be politic to exclude altogether the foreign Hindoostanee element from the Punjab administration.

24. Wherever feudatory chiefs existed, they were called upon to furnish police contingents to assist in securing the public safety. To this call they responded with laudable alacrity, and their men proved most useful. The Rajah of Kupoorthulla, several of the Simla Hill chiefs, the lesser Cis-Sutlej chiefs, and others, distinguished themselves in this respect.

25. Lastly, it may be mentioned, that later in the year a circular was issued to the effect, that the avenues of public employ were to be opened to men irrespectively of their caste, tribe, sect, or creed, and that in this respect every fair and reasonable opportunity was to be afforded to Native Christians. At such a time it was deemed right that a Christian and civilized administration should declare the principle by which it was actuated in this matter.

26. The next event of importance which happened after those already recorded was the Julunder mutiny. On the 7th June, at that station, two native corps of infantry and one of cavalry mutinied, marched for Philore, where they were joined by the 3d Native Infantry, the whole body then crossing the Sutlej did some damage to Loodianah, and then went on to Delhi. The event, though not so calamitous as it might have been, was yet very unfortunate; for it carried an effective addition to the mutineer army at Delhi, and gave much encouragement to the revolt. The affair occurred in this wise. The native brigade at Jullundur had for some time shown unmistakeable signs of disaffection. Many incendiary fires had broken out in the cantonment; the conduct of some of the sepoys had been insolent and The Chief Commissioner had himself defiant. been warned by natives on the spot that an outbreak might be anticipated at any moment. The local civil authorities were of the same opinion. The Chief Commissioner had more than once urged that these troops should be disarmed; General Read had actually ordered the measure. For its execution Her Majesty's 8th Regiment. was present and one troop of European Artillery, and at one time a Punjab infantry corps passing through was available as an auxiliary, but the local military authorities decided otherwise. The treasure which was sent in from the civil treasury, and which should have been placed under the custody of the European troops, was divided and placed in charge of the two Native Infantry regi-ments, "in order to give them confidence." When these two corps did break out, they might have been successfully attacked, broken, and dispersed before they left cantonments, but they were permitted to escape. Even then, had they been followed up with vigour, they would certain'y have never been able to cross the Sutlej as a military body ; but they were not pursued for some hours, and then our troops moved slower than they did. Such a pursuit was obviously worse than useless. At the passage of the Sutlej the mutineers were opposed with great spirit by Mr. G. Ricketts, the Deputy Commissioner of Loodianah. He attacked them with some native levies, and three companics of the 4th Sikhs, under Lieutenaut Williams. He had two half-manned guns of the Nabha chief, one of which became useless by the horses running off with the limber; the other gun he worked himself until the ammunition, consist. ing of a few rounds, was expended. Lieutenant Williams was badly wounded, and some of his Sikhs were killed. The mutineers effected their pasaage with the loss of about 40 men: arriving at Loodianah they did but little damage, as they saw that a portion of the European troops from Jullundur had by this time crossed the river in pursuit. This pursuit, however, was soon abandoned; then the mutineers, instead of taking the grand trunk road, went straight across country for Delhi, avoiding all places where they might meet European troops. A panic seems to have seized them, and they marched night and day. This turn of the affair was most providential for us, for it were hard to estimate the damage they might have inflicted had they taken the grand trunk road. In that case neither the cantonment nor any single military or civil post between Loodianah and Delhi could have been preserved from them. They would have intercepted our communications and created an alarm, which it is scarcely possible to exaggerate; and at that time it would have been impracticable to detach against them a portion of the Delhi force. In fact, there is no mode of accounting for the folly and fatuity of the mutineers on this occasion, except by