

for goods at cash prices, which would suit those holding certificates and receipts for small amounts almost as well as the money. The merchants can use the drafts in replenishing their stocks, or paying debts on board of vessels, at the Islands or in the United States; they would therefore answer their purposes as well as cash. And if this arrangement should be adopted by the existing authorities, there is no doubt but that the merchants would in many instances, pay cash to those holding small claims, for the purpose of obtaining drafts on the United States. By pursuing the course indicated above, the whole debt of the Government can be paid without using one dollar in money, and all parties will be satisfied.

We learn from persons who have recently arrived from Monterey, that a small party of volunteers returning from the South were attacked while in their camp near St. Johns, by a party of hostile Indians, supposed to be of the "Horse thief tribe." This occurred about ten days ago. It being night, the men being unarmed, and not apprehending danger from the Indians so near the seat of Government, were not prepared to defend themselves. Four of them were severely wounded, and it is thought that one will die of his wounds. We have not been able to learn their names.

The "INDEPENDENCE," Commodore Shubrick, arrived here on Thursday last.