

MR. PATERSON TO MR. FOSTER.

CONFIDENCE IN GOVERNMENT SHOWN BY BY-ELECTIONS.

In Three Years Liberals Have Carried Thirty By-Elections and Conservatives Nine—How Canada Has Progressed in Eleven Years—Mr. Paterson Scores Off Interrupter.

Mimico, Dec. 21.—The battle for Centre York closed at Mimico amid a scene of enthusiasm which, considering the strength of Conservatism in this part of the riding, was strikingly significant.

Mr. Paterson, who had a most cordial reception, at once proceeded to reply to Mr. Foster, who had fallen foul of Mr. Campbell because he had accepted a seat in the Senate. Mr. Paterson pointed out that if there was any grievance in regard to that matter it should not exist in Centre York, because the appointment to the Senate was an honor that constituencies generally coveted. He also demonstrated the puerility of Mr. Foster's complaint on the score of expense by reminding the audience that what expense the election involved was borne, not by Centre York, but by the whole of Canada, and that but for the Conservatives there need have been no contest at all.

Since the general election of 1904 there had been thirty-nine by-elections, and of these the Conservatives had carried nine and the Liberals thirty. (Applause.) That had been the pronouncement of the country. These elections had taken place in New Brunswick, Nova Scotia, Quebec, Ontario, Saskatchewan and Alberta. In only four cases had there been a change in the representation. The Conservatives won Colchester, but as an offset to that the Liberals won the City and County of St. John, New Brunswick. Then the Conservatives carried London, and the Liberals won North Bruce, so that they were absolutely even. (Applause.) Perhaps the Conservatives might claim that the Liberals had suffered defeat in the return of Mr. Verville, who ran as a Labor candidate for one of the divisions of Montreal. If for the sake of argument that claim were allowed, then the situation was simply a difference of one seat in three years, which meant at that rate that the Liberals would be out of power in ninety years. (Laughter and applause.) As a matter of fact, however, the Conservatives were not entitled to claim that the return of Mr. Verville meant the loss of a Liberal seat for in every confidence vote brought in by the Opposition in the House Mr. Verville had voted with the Government. If, therefore, the Liberals claimed one gain in three years, at the same rate of progression the Conservatives would by-and-by be out of the House altogether. (Laughter and applause.) It was no small test of the confidence of the country in the Government that at the end of eleven years of administration, with by-elections going on in its parts, it should stand today in probably a stronger position than they did when they took office.

Proceeding to refute Mr. Foster's argument that the prosperity of Canada was due to the old National Policy, which the Liberals had adopted, Mr. Paterson observed that if that were so, then the Liberals had better be allowed to work the old instrument better than the Conservatives did, and get much better results. (Laughter and applause.)

An elector—Is it due to the Government or to the Almighty Being?

Results of Liberal Administrations.

Mr. Paterson acknowledged that no country had been more bountifully blessed by Providence than Canada, but he asked: "Does heaven's sun only shine and the rain only fall upon the earth when the Liberals are in power? Do they cease when the Tories are in power?" (Laughter and applause.) If not, how could they explain the prevalence of so much better times during the Liberal reign except on the ground that the Liberal Government had known better how to take advantage of the conditions and blessings and had used them to better purpose. To emphasize the contrast between the two administrations Mr. Paterson pointed out that while the increase in foreign trade amounted to only fifty millions in the last eleven years of the Conservative regime, it had bounded up to the extent of three hundred and fifty millions during the past eleven years. (Applause.) And along with that vast increase the present Government had lowered the tariff, lessened the rate of taxation and compensated the manufacturer by giving him lower duties on raw material.

Why Times Are Better.

What had happened? In the five years from 1901 to 1905 the products of their manufactures amounted to two hundred and thirty-three million dollars more than those of the preceding five years—a gain of fifty per cent. in home manufactures, together with the gain of three millions in their foreign trade. In addition they had given a preference to the old motherland. While the Conservatives went round shouting their loyalty to the Liberal Government demonstrated their loyalty by their acts. (Applause.) The Conservatives complained that they had increased the expenditure enormously, but the extra money had been wisely spent in the development of the country, in improving the means of transportation, and in improvements that had brought back threefold what had been put into them. They had as a matter of fact added only five millions to the public debt, while the Conservatives, spending one hundred millions less in developing the country, had had to borrow sixty millions.

Increased Revenues.

Mr. Paterson went on to show how the improvement of transportation facilities benefited the people, during the last five years which had taken place in the revenues of the country. In 1906 post office receipts amounted to about \$3,000,000. In 1906 they were \$6,000,000, and in the interval the cost of postage had been reduced. Customs revenue which in 1896 was twenty millions was

now fifty millions. In 1906 the average rate of duty on all goods imported was \$18.28 on every \$100 worth. Last year the average was \$15.73, which was equivalent to a reduction of 14 per cent. in the rate of taxation.

CITY'S WITNESSES

Street Lighting Arbitration Made No Allowance for Storms.

Judge Snider, the sole arbitrator in the street lighting contract between the city and Cataract Power Co., sat from 12 till 5 on Saturday, hearing evidence. Mr. F. A. Gavey, assistant engineer of the Hydro-Electric Power Commission, was called for further cross-examination by the solicitor of the Cataract Company. He produced the figuring by which he based his opinion that the company, according to the contract, should reduce the price of street lighting by 36 per cent. According to these figures he estimated that the cost of supplying power to the lamps, the open arcs in 1899 was \$41.41, and in 1904 the supplying power to the lamps, the open arcs in use was \$20.08. He contended that this reduction was due to "advances or new discoveries in electrical science." The reduction in maintenance of the lamp per year, owing to the change, would be \$7.25. According to the witness' figures, the improvements in the quality of iron, due to inventions, had reduced the cost of production of power, and Mr. Gibson asked if he considered this was an advancement in or of electrical science. Witness replied "in" after some deliberation. Asked if he had included the cost of coal for the auxiliary steam plant in use before the auxiliary transmission wire was installed in his figuring, witness said he did not.

"Would you be surprised to know that the coal bill amounted to over \$12,000?" asked Col. Gibson. Witness made no reply.

Col. Gibson asked if he made an allowance for damage done the plant by snowstorms. He asked if he was aware that the big storm in 1899 that broke down wires and poles cost the gross receipts for the year. Witness replied that he had made no allowance for damage by storms.

Mr. W. G. Chase, Toronto, who was associated with Cecil B. Smith in estimating the cost of the proposed municipal plant in Winnipeg, and also in the Hydro-Electric Commission, was the second witness called by the city. He said he had gone over Mr. Gavey's figures, and considered they were fair. His estimate of the saving was about 85 cents less per lamp per year than Mr. Gavey's. His testimony was first witness for the city. At the close of the last witness' testimony it was decided to adjourn the arbitration to January 13th.



THE LIMIT.

Weary—Times is certainly hard. Heavy—You bet! If steamboats were sold at ten cents apiece, you couldn't buy the echo of the whistle.

LONGER BAYONET AGAIN.

Little Weapon Has Been Discarded by Army Council.

London, Dec. 22.—The Army Council has adopted a modified form of the Japanese bayonet for the British army. It is seventeen inches long, compared with the present bayonet of twelve inches, and affords a thrusting length of approximately 6 1/2 inches instead of 5 1/2 inches. Instead of being two-edged, with a double groove, it is single-edged, with a back and single groove, slightly tapered to a point. The crossguard is of a new design, being a deep, curved or hooked terminal, facilitates the stacking of arms.

Are Your Joints Lame?

Haven't you a weak spot, a place where cold and inflammation always settles? Whether it is in the neck, side, joints or limbs—the cure is simple—a good rub with Nerville and then apply Nerville Porous Plaster. These great rubefacients invariably cure strain, swelling, weakness and muscular pain. There is no mystery about this. Nerville is the most penetrating liniment known—consequently it gets where the trouble really is. Nerville Porous Plaster is the best of healers and draws out congestion. Be sure you get the genuine, substitutes can't do the work.

THREE SKATERS DROWN.

Two Young Men and a Girl the Victims.

Pittsfield, Mass., Dec. 22.—Three persons were drowned by breaking through the ice while skating on Onota Lake to-day. The victims were: Henry Norris, 16 years old, son of Mr. and Mrs. Frank Norris; Henry Ano, aged 20, a drug clerk; Miss Alice Mosnier, aged 16, employed in a silk mill.

Blind Boy Lost in Crowd.

Port Huron, Mich., Dec. 22.—Willie Merriol, a 12-year-old blind boy from Blackwell, Ont., a few miles from Sarnia, who, with his mother, was in the stores here shopping on Friday, disappeared in the crowd. The mother searched for him all the afternoon, and notified the police.

CASTORIA.

The Kind You Have Always Bought

Bears the Signature of J. C. Watson

Powder Storehouse Wrecked.

Vancouver, B. C., Dec. 22.—The storehouse of the Hamilton Powder Works at Northfield, four miles from Nanaimo, was destroyed by an explosion at 5 o'clock this morning. No one was injured, but the company's buildings were wrecked. The explosion was distinctly felt in Vancouver, 40 miles distant.

Joseph Bois shot himself, on his claim, 45 miles from Letellier, Man. It is not known whether it was accident or suicide.

THE Merchants' Bank of Canada

Report Presented at the 44th Annual Meeting of the Shareholders, Held on Wednesday, 18th December, 1907.

The annual meeting of the directors and shareholders of the Merchants' Bank of Canada was held at noon yesterday at the Head Office, 305 St. James street. Amongst the shareholders present at the meeting were: Messrs. J. Nathan Hodgson, Thos. A. Long, S. R. Hosmer, C. F. Smith, Hugh A. Allan, Alex. Barnett, George Hague, E. E. Mervett, D. C. Macrae, F. S. Lyman, A. D. Fraser, C. R. Black, A. Piddington, M. S. Foley, R. Campbell Nelles, John Paterson, E. Fiske (Coastcook), and others. In the absence of the President, Sir Hugh Montagu Allan, the Vice-President, Mr. Jonathan Hodgson, took the chair. Mr. Killbourn was appointed secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The chairman then submitted the following report of the directors:

THE REPORT.

The Directors beg to present the Statement of Affairs of the Bank as at close of the half year's business on 30th November last.

In accordance with permission granted by the Shareholders at the last annual meeting, the books are closed upon the 30th November, instead of on the 31st of May, as heretofore.

The net profits for the half year amounted to \$473,144.50. Out of this two quarterly dividends at the rate of 8 per cent. per annum—amounting to \$240,000—have been paid, the balance being carried forward to next year.

The full proportion of inspection work has been done during the past six months.

All of which is respectfully submitted.

JONATHAN HODGSON, Vice-President.

Statement of the result of the business of the Bank for the half year ending 30th November, 1907:

The Net Profits of the half-year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to \$473,144.50

Balance brought forward from last year, ending 31st May, 1907... 34,256.25

Making a total of... \$507,400.75

This has been disposed of as follows:

Quarterly Dividend No. 80 at the rate of 8 per cent. per annum... \$120,000.00

Quarterly Dividend No. 81, at the rate of 8 per cent. per annum... \$120,000.00

Leaving a balance to be carried forward to the next year of... \$240,000.00

\$507,400.75

Statement of Liabilities and Assets at 30th November, 1907—

LIABILITIES.

1.—To the public

Notes in circulation... \$5,490,940.00

Deposits on call... \$10,431,031.81

Deposits subject to notice (accrued interest to date included)... 24,440,836.11

Deposits due to other Banks in Canada... 1,282,476.05

Dividend No. 81... 36,254,343.97

Dividends unclaimed... 130,000.00

2.—To the Stockholders... 2,913.50

\$41,868,197.47

ASSETS.

Gold and Silver Coin on hand... \$1,533,736.44

Dominion Notes on hand... 2,384,321.50

Notes and Cheques of other Banks... 2,223,029.18

Balances due by other Banks in Canada... 6,769.44

Balances due by Banks and Agents in Great Britain... 893,214.53

Balances due by Banks and Agents in the United States... 79,451.00

Call and Short Loans on Bonds and Stocks in Canada... \$2,495,994.71

Call and Short Loans on Bonds and Stocks elsewhere than in Canada... 2,968,258.84

Dominion and Provincial Government Securities... 5,454,253.55

Railway, Municipal and other Debentures... 6,146,957.21

\$19,267,160.82

Current Loans and Discounts in Canada (less Rebate of interest reserved)... 31,246,107.36

Loans and Discounts overdue (loss fully provided for)... 95,732.55

Deposit with Dominion Government for security of Note Circulation... 240,000.00

Mortgages and other Securities, the property of the Bank... 83,397.43

Real Estate... 25,476.15

Bank Premises and Furniture... 1,155,887.30

Other assets... 21,836.66

\$52,135,598.22

E. F. HERBEN, General Manager.

THE DISCUSSION.

The Chairman—I have much pleasure in moving the adoption of this report.

Mr. Thomas Long—Mr. Chairman and gentlemen, the reports that have been placed before you are, I consider, of an excellent nature, and I have much pleasure in seconding the motion, and between these two authorities all of the report laid before us. Considering the condition of trade in Canada, I think that this report is one with which all the shareholders should be satisfied. (Hear, hear.)

I may say that I am very pleased, and I am sure we all are, to see our ex-general manager, Mr. Hague, present with us to-day. (Applause.) We hope that we shall have the pleasure of seeing him at many such meetings as this in the years to come. I have great pleasure in seconding the adoption of this report.

The Chairman—Are there any questions to be asked by the Shareholders? If not, I will ask your approval of the report.

There being no questions, the report was then put to the vote, and unanimously adopted.

The General Manager (Mr. E. F. Herben)—The statement before you gives the result of our best efforts in the management of your property for the past six months. The figures may, perhaps, appear for themselves. I hope you will think the statement a not unfavorable one. In this connection I should like to bear testimony to the loyalty and excellent work and spirit of the staff at large, all the members of which are actuated by an ardent desire to promote the Bank's best interests.

"The general banking and commercial situation has been recently epitomized by the chief officer of the premier Bank of Canada, supplemented by the weighty deliverance of its president, and between these two authorities all of the present practical opinion has been said. If it were for me to make any remarks to you on the present occasion, I should like to say that there has, perhaps, never been in recent years in Canada a time when a policy of moderation in public and private affairs was so plainly called for as at present, and in saying this I believe I am only expressing a thought uppermost in the minds of most thinking responsible men in Canada. The change in the commercial and economic situation in the neighboring republic for the worse, within the past few months, has been kaleidoscopic. It is now happily showing signs of improvement. In Canada we are altogether better situated, and it is our good fortune to be working under a better banking and currency system. But this is a slowing-down time with us, a time to take stock of our positions, and to retrench and be mutually helpful withal, by being moderate in our commitments and undertakings, and thereby introducing a factor into affairs making for the retaining of all our advantage, which can only be interfered with by untimely optimism."

The Chairman—"The next order of business is the election of Directors, and I would suggest that Messrs. Black and Patterson act as scrutineers."

Moved by Mr. M. S. Foley, seconded by Mr. A. Piddington, that Messrs. John Patterson and C. R. Black be requested to act as scrutineers, and that only one ballot be taken for the election of Directors.

Mr. George Hague—"I am inclined to think that this course is hardly formal enough for such an election of Directors. I think the motion should read, 'That the scrutineers cast one ballot for the following persons as Directors, and unless this course is followed someone may call this election in question. We are all agreed upon the names, and I suggest that this course be followed.'"

Moved by Mr. J. Patterson, seconded by Mr. George Hague, that the Scrutineers cast one ballot for the following persons as Directors of the Merchants' Bank of Canada for the ensuing year:

SIR H. MONTAGU ALLAN,

MR. JONATHAN HODGSON,

MR. THOS. LONG,

MR. C. R. HOSMER,

MR. G. F. SMITH,

MR. HUGH A. ALLAN,

MR. C. M. HAYS,

MR. ALEX. BARNIE,

MR. F. ORR LEWIS,

The Scrutineers cast one ballot in accordance with this motion, and the Chairman declared the gentlemen mentioned therein elected as Directors of the Bank.

There being no further business the meeting then adjourned.

At a subsequent meeting of the Directors the following officers were re-elected: President, Sir Hugh Montagu Allan; Vice-President, Mr. Jonathan Hodgson.

BURNED TO DEATH

MRS. McCLELLAND FELL DOWN STAIRS WITH LIGHTED LAMP.

Injuries Were Fatal in Spite of the Efforts of Her Daughters and Others—Wife of Councillor Jas. McClelland, of Grand Valley.

Grand Valley, Dec. 22.—Mrs. McClelland, wife of Councillor James McClelland, died this morning at 2 o'clock from burns received from falling down the cellar steps with a lamp in her hands the previous evening. She apparently tripped on the top step, striking her head on the bottom step, which rendered her unconscious. The lamp crashed to the floor, enveloping her body and burning the flannel night dress which she wore. Her eldest daughter endeavored to quench the blaze with water, while the young daughter ran down the street in her night dress to give the alarm. Mr. Tibbutt, who lives across the street, saw the scene, and smothered the flame with a mat.

Mrs. McClelland was in her 50th year, and was much esteemed for her Christian character. Besides her husband, she leaves four children—Dr. William, at home; Herbert, a student at the Ontario Veterinary College, and Misses Floss and Eva, at home.

A SMART THIEF.

He Donned Lieutenant's Uniform and Robbed Vienna Arsenal.

Vienna, Dec. 22.—A robbery worthy of the hero of Kopenick was carried out yesterday. A former non-commissioned officer, of the name of Goldschmidt, dressed himself in the uniform of a lieutenant, drove up to the Vienna arsenal and demanded the key of the safe belonging to the Second Regiment of Artillery. The key was handed over to him and he entered the strong room, where he forced the strong boxes with a chisel and abstracted 30,000 kronen and bank-books with 3,000 kronen. He then entered his cab and drove to the savings bank, drew out the money and disappeared.

When it was discovered that a robbery had been committed there was great activity in military and police circles. A wardrobe dealer recognized a portrait of Goldschmidt, that of a man who had bought a lieutenant's uniform from him. The cab driver was also identified.

APPEAL TO MGR. SBARRETT.

Deputation From Montreal Parish of St. Patrick Presents Grievances.

Ottawa, Dec. 22.—A delegation of St. Patrick's parishioners, Montreal, waited upon the Papal delegate yesterday in reference to the removal of Rev. Father Martin Callaghan as pastor of St. Patrick's Church. Other grievances were laid before the delegate as regards the English-speaking priests, who have no voice in Church matters. Archbishop Bruchesi had refused to receive the deputation, hence their visit to Ottawa. Mgr. Sbarretti upheld the Archbishop and declined to interfere.

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MOTION TO JAIL MAGISTRATE.

Wrote Letter to Newspaper re Walter Lowry's Action.

Toronto, Dec. 22.—Papers were filed at Osgoode Hall on Saturday in connection with a motion, which will be argued by Mr. J. B. MacKenzie on Thursday, to commit Magistrate Alpheus F. Wood for contempt of court through the publishing of a letter in the North Hastings Review, of the village of Madoc. In this letter there was considerable comment upon the action brought by Mr. Walter Lowry against him for \$10,000 damages for false arrest and imprisonment.

BLOTTER AND DIARY.

Andrew Usher & Co., of Edinburgh, Scotland, the celebrated makers of Scotch whiskeys, has sent out a handsome and useful blotter and diary to their customers. Scotch scenes in the corner make it very attractive.

A TRIPLE TRAGEDY.

Insane Man Kills Wife, Daughter and Brother.

St. Joseph, Mo., Dec. 22.—A triple tragedy occurred near Cameron, Mo., yesterday. Albert Filley, a farmer, supposedly insane, having killed his wife and daughter and his brother. Marshal Smith, of Cameron, found and arrested the alleged murderer, who was seated in the room where the three bodies lay. Filley had killed his wife with a hammer as she lay in bed, ill of wounds inflicted ten days ago by Filley in an attempt to kill her. He shot his daughter and his brother, Clay Filley, and attacked Clay's wife with a hammer. Mrs. Clay Filley escaped and gave the alarm. Albert Filley is 35 years of age.

Toronto hotelkeepers have agreed to advance rates 50 cents a day.

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