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The Toronto World.

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Stock and Exchange Broker
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ELEVENTH YEAR. WEDNESDAY MORNING, JANUARY 29, 1890. ONE CENT.

NATIONAL NOTES

Reasons Why Bank Bills Should Be Retired and

GOVERNMENT NOTES SUBSTITUTED

Profits on Bank Notes Lead to Reckless Management—Greenbacks Preferred in Canada—The Secrecy of the Bankers' Deputation—Banks Make Five Per Cent. on Their Note Issue, or $50,000 a Year On a Million—Careful Administration Not Stringent Laws the Protection of the Public and Shareholders.

The presence of a strong and representative deputation of the bankers of Canada at Ottawa to interview the Government in regard to the approaching expiration of the bank charters was the event of greatest interest at the Capital last week. From all we can learn the bankers seem to have discussed the matter pretty well among themselves, and then in a body waited upon the Minister of Finance, to whom they are said to have stated their views and explained the present situation and what changes they desired when new legislation is proposed dealing with this important interest. So far as we can learn the Minister of Finance did not commit himself or his colleagues to any line of policy. He simply listened to what the bank managers and bank presidents had to say on the matter.

We learn, however, from statements made by banks and from the discussion in the public press that the banks are most anxious to secure the continuation of that clause in the act which gives them the privilege of issuing notes to an amount equal to their paid-up capital. Some years ago there was little or no issue of national notes in this country, but as the law now is all notes of less than $5 in value are national or Dominion Government notes, while the issue of the banks is prescribed to notes of $5 and upwards.

Arguments have been advanced by many newspapers, by public men, by business men and others in favor of the extension of the issue of Government notes and the entire withdrawal of the right now exercised by the banks to issue their own paper. To the withdrawal of this privilege of issuing their own notes the banks are much opposed, and from what we can learn they devoted most of their energy in the recent interview to the impression of this fact on the mind of the Government.

The Banks' Arguments.

The banks' reasons expressed or implied for the continuance of this privilege, are in the main two: (1) A selfish one, that it is profitable to them; and (2) that by means of the "elasticity" which the act confers they are able to increase or diminish their circulation just as their business in the country requires, and that if this privilege were taken from them the business community would suffer.

As to the latter of these reasons there is this to be said, that the banks do not do anything for "the convenience of the public," or if they do they are reprehensible therefor. For shareholders do not put their money into bank-stocks through a desire to assist the public; they put it there as an investment and expect those who administer it to make all the money they can and to leave the public to look after themselves. As a matter of fact we believe such to be the case. The bank that does missionary work on behalf of the business community, the Government or anyone else will soon find itself in trouble. Banks must be conducted on business principles as well as any other concern, and should not seek special privileges under the pretext that they are to be used for the benefit of the community regardless of shareholders who are the principal parties concerned. As a matter of fact, as we said before, the banks *extend or diminish their issue* just as they think they can make or save money by so doing, and without paying any more regard to the "poor public" or "the requirements of trade" than any other business man in the conduct of his own affairs. The one thing that should influence a sound banker is: can I make money for my shareholders by this course, or can I not? If I cannot, I shall leave it alone; if I can, I will advise my directors to adopt that course. The idea therefore of looking after the interests of the public and of doing missionary work is rather far fetched.

Now, next as to the matter of profit, and this we take it is the main reason why bankers desire to retain this privilege. It is to them a very profitable privilege. For a bank that has a paid-up capital of a million dollars can print bank notes to the extent of a million dollars and lend these notes to the public at from 6 per cent. upwards, and for which they practically pay nothing.

A Profitable Privilege.

Just what this right to issue their own notes is worth to the banks they have never yet told the public, and we trust that on the first occasion they appear at Ottawa, or their representative gets up in the House the information will be forthcoming. Our opinion, after some investigation, is that the banks average five per cent. on their circulation, taking no notice of what they make out of notes never presented for redemption on account of their being lost or hoarded. Five per cent. on an issue of a million dollars is $50,000 a year, and this to a bank of six millions capital is worth $300,000 a year! So our readers may gather some idea of the value of the privilege.

Now we take the strong position that the country has no right to give the banks this additional source of revenue and we go further and say if the banks are deprived of this privilege and national notes substituted the banks would be the gainers in the long run. The possession of this privilege, we make bold to say, is one great reason for the recklessness in bank management which has been characteristic of banking in this country. If bank managers had not the profits of their note issue to fall back upon as a source of revenue they would be much more careful and make fewer mistakes than has been their experience in the past.

The True Functions of Banking.

The true functions of banking is receiving deposits of money or its representatives, on which interest may or may not be allowed; discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of debt; buying and selling exchange, coin and bullion; transmitting money from one place to another; loaning money on personal security, and collecting notes or drafts.

All these are legitimate sources of revenue, and if carefully pursued ought to supply an income sufficient not only to meet excusable losses but to pay good salaries, give encouraging dividends and establish a substantial rest account. As we have said, to continue the unusual privilege enjoyed by Canadian banks of issuing their own notes is to put a premium on reckless management. Some of the bank managers in their speeches at Ottawa brought forward statistics with the object of proving that the national banking system of the United States was a bad one and pointed to the number of failures that had taken place and losses that had been sustained therefrom by the public. In the same way statistics might be brought forward to show that the banking regulations which obtain in England to-day were the cause of the great losses sustained in connection with the City of Glasgow and other banks. But this is not the right view to take of the matter. It is not the law regulating banking which protects the public and confers benefits upon the stockholders, but rather is it the way in which the banks are administered under the laws that injury or benefit accrues to the public and shareholders alike. There has been reckless management under the British law and other European banking laws; there has been reckless management under the national banking law of the United States and there has been very reckless administration under the Canadian Banking Act. No kind of law, it would appear, will protect the public and the shareholders. They must look rather for that in the administration of those entrusted with the bank's business.

The New Proposals of the Banks.

The banks, feeling that their case is a weak one, come forward with a proposition to remedy some of the defects that now exist in their present system. They say they are willing to make an arrangement among themselves by which the notes of any bank of one province shall have par value in any other province, and that the banks will make satisfactory arrangements for the redemption of the notes of any chartered bank at any point in the country. But in this connection it ought never to be forgotten that it was the banks themselves who began the practice of putting a discount on bank notes in any other province than the province of their issue, and that they have only been brought to propose the remedy they now bring forward after the exposure in the public press of their action in the matter.

They also propose to establish a guarantee fund among themselves that will secure note holders to the full extent in case of failure of any chartered bank. This, too, is all very well in its way, but there was a time in this country when the first to throw discredit on the notes of a chartered bank has been one or more of its fellow chartered banks, and there are to-day unredeemed notes of chartered banks going about the country for which par is not yet forthcoming.

Why We Should Have National Notes.

But the great and paramount reason in favor of a national currency in place of the present mixed national and chartered bank currencies is that a national note, issued and guaranteed in much the same way as the national notes of the United States are issued and guarded, would be the best possible currency the Canadian people could have. It would give them a note that would be current from one end of the Dominion to the other for its full face value, that would never be questioned, discounted or refused. We go further and say that since our neighbors have adopted national note, or have limited the note issue of banks to notes guaranteed by the Federal power, we are bound to follow their example and to provide our people with just as convenient and just as satisfactory an instrument of circulation as they have in the adjoining republic. Furthermore, as a matter of fact, the only note that possesses full value and is accepted everywhere throughout Canada without question is the national note of the United States, or what we call the ordinary greenback; while Canadian bank notes and even Dominion notes, are, through the multiplicity of note issues discounted throughout the United States and suspected, and even in our own country they are not safe from the same treatment.

We Must Keep Up With the March.

In this respect it must also be remembered that if we are to hold our own on the North American continent as a nation we must keep up with the procession. Already we are behind in the matter of a two cent postage and a national currency, both great public conveniences. We must have, as we have said, a note that is current everywhere in Canada, never questioned and never discounted, and we won't have such a note unless some arrangement is come to authorizing the issue of national notes and national notes alone.

Let us take for instance two of our successful Toronto banks, namely the Bank of Toronto and the Dominion Bank, and let their directors get up and tell the public that they would be unable to maintain their present standing if they were deprived of the right to issue bank notes. As a matter of fact we do not believe they would have the audacity.

We further take the position that any profit that may arise through the issue of currency should belong to the country and not to the banks. Why doesn't the country grant a similar privilege to other financial companies or to business men? It would be a convenient adjunct to a newspaper office, for instance!

Advances made on merchandise warehoused with Mitchell, Miller & Co., 45 Front-street east.

Fur Bargains To-day.

A magnificent lot of seal muffs is offered for sale at $12 and $15 each at Dineen's clearing sale of furs. Ladies' beaver muffs, capes and storm collars are greatly reduced. Children's grey curly fur caps, muffs and collars very cheap. Men's Persian lamb caps, first quality, only $6; men's fur coats at $15, $18 and $25. Ladies' fine astrachan mantles, $25, $30 and $35. Short seal jackets, $75 and $100; grey robes at $6 and $7. The goods that are offered are all of this season's manufacture and can be recommended by the firm. The store is on corner of King and Yonge-streets.

Families leaving the city or giving up housekeeping can have their furniture carefully stored at moderate cost with Mitchell, Miller & Co., 45 Front-street east.

Influenza (La Grippe)—An Absolute Preventative for This Terrible Disease.

This preparation emanates from scientific sources, and is exactly what is prescribed by the most eminent physicians in Europe, and is used in the great hospitals of that country and Great Britain, not only because it is a preventative but for the reason that it is recognized as being the only medicine known which will effect a cure.

It has been arranged that this medicine shall be made in Canada to supply the American demand, and a binding agreement has been entered into whereby the price has been fixed at one dollar—no more and no less. The Hospital Remedy Company, 295 West King-street, Toronto, Canada, are the only authorized agents and manufacturers for this continent, and their name is on every box. Sent postpaid on receipt of price—one dollar.

An immense line of men's heavy all-wool tweed jackets at $3.50, worth from $5 to $6. Come while they last. British Arms Clothing Store, 221 Yonge-steeet, cor. Shuter.

Stop Watches.

Intricate and complicated watch work my forte. E. Beeton, High Grade Watch Specialist, opposite Postoffice.

AN AFTERNOON OF BUSINESS.

THE HOUSE AT WORK ON SIR JOHN THOMPSON'S BILL.

Grace on Sight Drafts—Patent Rights Notes—French Residents of the Northwest Petitioning Against Mr. McCarthy's Proposal—The Secretary of State's Alternative Offer to the Printers.

OTTAWA, Jan. 28.—The Government settled down to business to-day and having had the bill relating to bills of exchange, checks and promissory notes read a second time, moved the House into committee of the whole and in 2½ hours more than half the immense bill was adopted.

The bill as re-introduced is practically the same as when withdrawn at the close of the last session. During the recess copies were sent out to bankers and others interested but they had no suggestions to offer. A few clauses were held over to-day for further consideration. One of these relates to sight drafts. It has been customary to consider these payable only at three days' grace but by the provisions of this bill they were declared to be payable on demand. Mr. Peter White objected to this departure from custom, and he was warmly backed up by Hon. Peter Mitchell, Mr. Weldon (St. John), Mr. Charlton and others, and as Sir John Thompson seemed rather inclined to agree with their arguments it is probable that what hitherto has been only custom will henceforth have the force of the law, and there will be three days' difference between sight and demand drafts.

Another point discussed at length was a suggestion made by Mr. Kirkpatrick that this bill should distinctly provide that notes given for patent rights should have that fact plainly stated on their face. The fraudulent transactions arising out of these patent rights notes are said to be very extensive. Mr. Burdett says the nuisance has prevailed in such an extent in his locality that he contemplated introducing a bill dealing with it. At 5.50 Sir John Thompson apparently decided that sufficient progress had been made for one day and the committee rose and the House adjourned.

A Bountiful Crop.

The crop of petitions continues bountiful. To-day Mr. Denison presented a number asking labor legislation from District Assembly No. 125, Knights of Labor, Toronto, and Mr. Livingston presented a number to the same effect from Iron Moulders' Union, No. 102, of Galt.

Mr. Denison also presented a petition from John N. Cresseworth, G. N. Grant, B. W. Clark, J. E. Schiller, A. H. Royce, and F. R. Powell of Toronto, Dr. J. H. C. Willoughby of Regina and George E. Kidd of Ottawa for authority to extend their line of railway, from its present authorized terminus near Saskatchewan.

Mr. Wallace presented a petition from the Manitoba & Northwestern Railway Company asking that their authority to issue bonds, which is now limited to $20,000 per mile, may be limited by the amount of annual charge created thereon in place of by the amount of capital borrowed.

The French residents of the Northwest are still petitioning against Mr. McCarthy's proposal to disallow the official use of their mother tongue. Mr. Davis to-day presented petitions from residents of St. Laurand, Prince Albert, Carlton and Battleford districts.

These bills were introduced to-day and read a first time:

Mr. Hudspeth: To incorporate the Lindsay, Bobcaygeon and Pontypool Railway Company.

Mr. Corby: To incorporate the Belleville and Lake Nipissing Railway Company.

Mr. Curran: To incorporate Belding, Paul & Co. (Limited).

Dr. Hickey: To incorporate the Ottawa, Morrisburg and New York Railway Company.

Mr. Dawson: To incorporate the Sault Ste. Marie and Hudson Bay Railway Company.

Where They Sit.

Hon. Mr. Colby has changed his seat, but remains as a Minister at the same desk at which he sat for many years as a private member. He merely changed places with his companion, Mr. Rykert, who has hitherto literally sat between Mr. Colby and the Cabinet. The Ministers sit in the first and second rows. Hon. Mackenzie Bowell is on the extreme right in the first and Hon. Mr. Colby sits immediately behind him. Mr. Bowell's desk-mate is Mr. McCarthy.

The "Alarming Exodus."

Mr. Charlton gives notice of this motion: That a select committee be appointed, to consist of Messrs. Patterson (Essex), Kirkpatrick, Mills (Bothwell), White (Renfrew), McMullen, Weldon (Albert), Somerville, Bryson and the mover, to enquire:

1. As to the extent of the alarming exodus of native born Canadians and settlers in Canada of foreign birth to the United States.

2. As to the chief causes of such exodus.

3. As to the best means to be adopted to counteract the influences which have hitherto promoted such exodus and for the purpose of diminishing this serious drain upon our numerical strength and other sources.

Since Mr. Marshall gave notice of his motion affirming the expediency of increasing the import duty on meat he has had numerous communications from Canadian packers and others congratulating him upon the step he has taken. There appears to be a very widespread feeling in support of the movement and an interesting discussion is expected when the motion is reached, which will probably be to-morrow.

THE PRINTERS' ALTERNATIVE.

The Secretary of State Makes a Compromise Offer.

OTTAWA, Jan. 28.—At a special meeting of the Typographical Union to-night Hon. Mr. Chapleau's answer to the deputation who waited upon him yesterday was submitted. He was, it was stated, opposed to the demand made for $13 per week, but was favorably disposed to two alternative propositions: (1) That wages should be advanced to $12 per week and men paid for all holidays, and (2) that for such work as could be done that way the piece system should be introduced. He had asked until Monday next to make a definite reply.

This did not satisfy the Union and a strong effort was made to have a strike ordered immediately. Better counsels prevailed, however, and it was at length decided that Mr. Chapleau's answer would be awaited. An endeavor will be made to secure it before Monday, as a regular meeting of the Union takes place Saturday night.

Manufacturers, by warehousing their surplus stock with Mitchell, Miller & Co., receive negotiable warehouse receipts.

An Orange Demonstration.

BEFAST, Jan. 28.—The Unionist demonstration in honor of the late Viceroy of Ireland, the Marquis of Londonderry, held here today was successful beyond expectation. The Duke of Abercorn presided, 3000 persons were present and the proceedings were conducted amid great enthusiasm. A number of county addresses were presented to the Marquis of Londonderry expressive of appreciation of his administration and condemnation of those who persistently antagonized his efforts to promote the welfare of the country. It was a typical Orange manifestation throughout.

The Man in the moon is sighing for "Athletes." 136

Art in Dress.

The three-button cutaway sack is steadily growing in favor. It is a very handsome garment. Taylor & Co., art tailors, 89 Yonge-street. 136

Where did you get that coat? At the British Arms Clothing Store, cor. Yonge and Shuter-streets. They give full value.

Steamship Arrivals.

Date.	*Name.*	*Reported at.*	*From.*
Jan. 28.	City of Chicago	New York	Liverpool
"	Lydian Monarch	"	London
"	Polynesian	Halifax	Liverpool

CHANGING SHADES.

Two Notable Examples of Nature's Unaccountable Vagaries.

CHICAGO, Jan. 28.—William F. Smith of Dublin, Laurens County, Ga., is here consulting specialists regarding the color of his skin, which during the past ten years has changed from a white to a light blue and then deepened into an ultramarine. His hair, eyeballs, and the inside of his lips kept pace with the skin in changing from the original colors, but in spite of his variegated appearance Mr. Smith's health is perfect.

Physicians pronounce his case incurable. They say that his tinted appearance is due to immoderate doses of nitrate of silver given Smith when a boy to cure epileptic fits, to which he was subject. The trouble only affects the skin.

COLUMBUS, O., Jan. 28.—Henry Harvard, a United States prisoner at the penitentiary, has been gradually changing color from black to white since he was incarcerated with several other moonshiners two years ago. When arrested it was noticed that his skin was spotted. The first thought was that he was a dirty white man; the second that he had leprosy. Further investigation convinced the physicians that their patient was a black man turning white.

To-day Harvard's back and chest are perfectly free from all color, and although his face is spotted yet, medical experts agree that when he leaves the penitentiary he will go forth a white man.

Why Ex-Mayor James E. Was Absent.

The City Clerk was in receipt yesterday of this letter from Mr. William Houston, M.A.:

The bylaw appointing me a member of the High School Board came duly to hand, and I would have sooner acknowledged its receipt but for the hesitation I felt at accepting the position under the circumstances. I would not have felt any embarrassment had the Council seen fit to appoint me as my own successor, but when I was put off with the apparent intention of dropping me altogether and afterwards put on in the room of another member who had accidentally forfeited his seat, I could not accept the place without giving him an opportunity of saying whether he would like to have it again. Mr. Smith writes to inform me that he desires me to remain on the board, and I now comply with his desire by accepting the appointment. Permit me to remove the impression that Mr. Smith deserved to be left off because he neglected his duty. As a matter of fact his absence from board meetings was due to bad health, and he could have had leave of absence if he had asked for it. It was an oversight and not a case of wilful neglect of duty.

It might be mentioned that there are no fees for attendance at these particular board meetings.

Reeve Evans the Choice.

The York County Council met for organization yesterday afternoon. Clerk Eakin opening the proceedings. It was generally understood that Mr. J. D. Evans, Reeve of Etobicoke, was to be the new warden, and so it came to pass on the first ballot. Mr. Evans' nominal opponents were Reeve Humberstone of York, Reeve Foster of Markham and Reeve Van Zant of Markham village.

The new warden has been a member of the County Council for about 10 years and has always taken a keen interest in the welfare of Etobicoke and the county generally. He is a successful fruit grower and a Conservative in politics.

An Incident of the Great Snow Blockade.

Among the arrivals at the Queen's last evening was Mr. T. Dixon Craig, jr., M.L.A., of Port Hope, who has spent the last eight or nine months in San Francisco. Mr. Craig was en route for home and will come up again to-morrow to attend the opening of the Assembly. This genial tanner from Durham was snowbound for several days in the Sierras on his way east, and has some thrilling experiences to relate of the great blockade, the most thrilling of which being the shooting of a man on the train in which Mr. Craig was a passenger.

In the Supreme Court.

OTTAWA, Jan. 28.—The case of Godson v. the City of Toronto and J. E. McDougall was argued to-day. This is an appeal from the judgment of the Ontario Court of Appeal, reversing the decision of Justice Robertson, who directed that a writ should issue prohibiting Judge McDougall from further proceeding with an enquiry against Godson under certain resolutions of the corporation. Mr. McCarthy, Q.C., and Mr. T. P. Galt for the appellant, and Mr. Biggar and Mr. Aylesworth for the respondents.

Pugsley in Court.

WELLAND, Jan. 28.—The notorious crook Pugsley had a hearing before Police Magistrate Hellems to-day. The prisoner was charged with bringing stolen goods into Canada. Witnesses and lawyers from many parts of the United States were present. The court was crowded with spectators. The case was adjourned until 2 o'clock Thursday for the purpose of getting more evidence.

North Brant Reform Convention.

PARIS, Ont., Jan. 28.—The North Brant Reform convention met to-day. The delegates were unanimous in choosing Mr. W. B. Wood, the present member, as their standard bearer. Mr. Wood was introduced and gave an hour's speech. Motions of confidence in the Mowat Government and Hon. G. W. Ross were passed.

Carpets, blankets, comforters, a large stock at lowest prices. One price only, cash or credit, at the C. F. Adams Home Furnishing House, 179 Yonge-street. 136

A Crazy Father's Deed.

NEW YORK, Jan. 28.—John Votozic, a crazy cigar maker, threw his 5-year-old son out of the fifth-story window of a tenement house in Pitt-street to-day and then attempted to throw his old mother out. The woman resisted with all her might, and help coming Votozic was overpowered after making a desparate fight. The child was fatally hurt.

Fatality at Springfield, Ont.

SPRINGFIELD, Jan. 28.—Milton Clark, cheesemaker, formerly of Lyons, Ont., died at 4.50 o'clock this afternoon from injuries received on the Michigan Central Railway here this morning.

The Hudson Ice Crop.

POUGHKEEPSIE, Jan. 28.—The prospects for an ice crop are becoming brighter every hour. Harvesting may begin next week. The weather to-night is very cold.

Mexican Thieves in Texas.

BROWNSVILLE, Tex., Jan. 28.—Two bands of thieves from Mexico have been operating on this side of the river lately. The rangers are in pursuit.

Office furniture, large variety at reduced prices. See our assortment. The C. F. Adams Home Furnishing House, 179 Yonge-street, north of Queen. 136

The Final Dividend.

Now that influenza is declaring its final dividend and preparing to go out of business the restless public are beginning to look about and ask "What next?" The most novel thing that we can think of to suggest is some new shapes in American scarves at quinn's. These scarves are decided novelties.

The numerous sales of our noted overcoats from $4 up testify to the superiority of their quality, style and low prices. British Arms Clothing Store.

Cases to be Appealed.

The decision of Justice Street in the breach promise of case, Gokey v. Dobie, is to be appealed. Yesterday Chief Justice Galt granted leave to serve notice of appeal to the Divisional Court. Similar leave was granted the defendants in Betts v. Smith, in which on Monday a verdict was given for the plaintiff for $1000.

Rural Dean of West York.

Rev. Charles Shortt, M.A., of Woodbridge has been appointed rural dean of West York in place of Canon Osler, resigned.

MR. SPROATT THROWS IT UP.

WHY HE WAS COMPELLED TO RESIGN THE CITY ENGINEERSHIP.

An Overworked Official With but Little Sympathy or Assistance From the Board of Works—Mr. William T. Jennings of the C.P.R. His Probable Successor at $5000—How Things Stand.

The long-looked-for-come-at-last resignation of City Engineer Charles Sproatt was laid before the Board of Works by Chairman Shaw yesterday. It was contained in the following letter sent to Ald. Shaw:

DEAR SIR,—I beg to tender you my resignation as City Engineer. During the last few years the work in the department has greatly increased and there has been no corresponding increase in the staff of the department. As City Engineer I am held responsible for all works and improvements carried out under the direction of the Board of Works. This is a heavy responsibility, and in attempting to bear it without sufficient competent assistance, my health to some extent has been impaired.

I have frequently called the attention of the Committee on Works to the necessity of giving me more help if the public works and improvements were to be carried out properly, but little attention has been paid to these representations.

I beg, therefore, to be released from the duties of the office of City Engineer of this city as soon as the council can provide an engineer in my place. C. SPROATT.

Engineer W. T. Jennings to the Front.

The Chairman, after handing down the letter, made the following representation:

GENTLEMEN,—This resignation is before you, and I do not see what we can do but accept it. I may also mention that Mr. W. T. Jennings, engineer of the C.P.R., has expressed his readiness to take upon himself the duties of the office, but will certainly not accept a less salary than $5000. I believe that the Board could do nothing better than to nominate that gentleman for the position. It will not be pledging the Board to support him, but it will bring his name before the Council. I wish to impress upon you, gentlemen, the extreme necessity for speedy action.

Ald. Bell: "Mr. Jennings may be a good man, but I for one, would like to know more about him. It will not delay matters so much as you think."

Ald. Carlyle: "I must agree with Ald. Bell. We should have time to consider his qualifications and those of other applicants."

Ald. Macdougall: "There is no need for haste. If we are to be allowed any voice in the matter I think we should have some chance to know more about the matter."

The Chairman: "If you do not follow my advice you will not be doing right. We must get organized as soon as possible, and to that end we must have Mr. Sproatt's successor in as soon as possible. Gentlemen, my position is useless if I am to be handicapped and tied down in this way."

Don't Go So Fast, Mr. Chairman.

Ald. Irwin: "You are pressing this thing too far, Mr. Chairman. I really must dissent from your view."

Ald. Macdougall: "I do not think at this, our first meeting, that you, Mr. Chairman, should charge this board with handicapping and tying your hands. I feel that your desire to get Mr. Jennings nominated is born of your eagerness to see the department organized, but surely if we are thinking beings we ought to have something to say about the matter."

Ald. Bell: "I came to the committee with the intention of giving you my loyal support, Mr. Chairman, and will do so to the end, but I hold with Ald. Macdougall."

The discussion resulted in a motion and amendment being presented. The motion was by Ald Small:

That Mr. Sproatt's resignation be accepted, and that Mr. Jenning's name be sent on to council as his successor.

The amendment by Ald. Carlyle:

That Mr. Sproatt's resignation be accepted and ask council for authority to take such steps by advertising or otherwise for the appointment of a successor.

The motion was carried on this division.

YEAS.

Shaw.	Verral.	Allen.
Irwin.	Denison.	Small. —7.
Macdonald.		

NAYS.

Carlyle.	Lucas.	Bell.
Hewitt.	Lennox.	Macdougall—6.

He Leads in the Race.

This means that Mr. Jennings leads in the race for the City Engineership.

Ald. Denison wanted to know if by voting for Mr. Sproatt's resignation, it meant that gentleman would sever his relations with the city. On being answered in the negative he voted with the chairman.

In connection with the resignation the Mayor sent the following letter to the Board:

I would respectfully recommend that Mr. Sproatt's resignation be accepted and his successor appointed forthwith, the resignation to take effect as soon as the new City Engineer has been regularly installed.

I would also strongly urge upon the Committee on Works that after the appointment of a new City Engineer the bylaw governing the administration of the Works Department be amended so as to place the responsibility upon his shoulders, giving him the power of appointment and dismissal as well as complete supervision over his staff of officials. By this means he can fairly be held responsible for the administration of his department.

I regret very much that I will not be able to be at the meeting of the committee this afternoon, being confined to the house by illness.

E. F. CLARKE.

The only objection raised by any of the Board to Mr. Jennings was the fact that he was a railroad engineer.

Mr. Jennings is well known throughout the Dominion as an engineer of great experience and ability. For a number of years he has been one of the chief engineers of construction on the Canadian Pacific Railway. His latest achievement in that respect was the building of the "Detroit extension," now just about completed. Mr. Jennings is a gentleman of undoubted ability and integrity.

THE POSITION OF AFFAIRS

In the Works Department—Sproatt To Be Retained, Cunningham To Go.

The action of the Board of Works yesterday shows pretty accurately the plans of the re-organizers. The Mayor and Ald. Shaw, the chairman, are working hand-in-hand, and from various indications not generally observable by the casual visitor to the City Hall, Ald. Boustead, chairman of the Executive, and Ald. Gillespie, chairman of the Toronto Street Railway Franchise Committee, are in sympathy with the course which is being pursued.

Of course neither Ald. Boustead nor Ald. Gillespie have come out straight in favor of Mr. Jennings' appointment, but from the keen interest both took in yesterday's meeting and the absence of any signs of disapproval from their countenances it is more than probable that a modus vivendi has been arrived at.

The plan which the chairman of the board has mapped out is in brief as follows:

1. Appoint an engineer, a strong man, one with the confidence of the people. Throw the onus of his appointment as much as possible on the City Council.

2. Once appointed let him re-organize his own staff without fear or favor. Effort will be made to save certain heads, and if compatible with the well-being of the department, these will be saved.

3. City Engineer Sproatt will be dropped from first to second place, but without a proportionate reduction in salary. He will be consulting engineer and will be the man on whom the chief must rely for guidance.

4. Assistant-Engineer Cunningham will have two courses pointed out to him. He will be asked to resign and step out altogether or accept the post of sole engineer on local improvements at a reduced salary.

These are the salient points of the Shaw re-organization scheme and they bristle with objections sufficient to set the council by the ears.

Merchants can warehouse goods in bond or free with Mitchell, Miller & Co. Negotiable warehouse receipts issued; rate of insurance low.

Linen handkerchiefs in every quality and style. We have a linen handkerchief at $1 the half dozen; good value at $3 the dozen. Also a fine assortment of hem-stitched goods. If you want something softer for the influenza we will use our influence with you on the Japanese silk handkerchiefs. Nothing nicer for the inevitable. A. White, 65 King-street west, Toronto.

PREPARING FOR THE FRAY.

Mr. Gladstone's Circular to His Followers—General Cable News.

LONDON, Jan. 28.—Mr. Gladstone's usual circular to his supporters in the House of Commons just before the opening of the session of Parliament was published to-day. He says the condition of public affairs is not without some peculiar features, and that the questions to be considered at the opening of the session may be of pressing interest. The wording of the circular is unusual and is taken to indicate an early division on the Pigott letters and other matters of vital importance to the Liberal and Home Rule members.

Mr. Gladstone and members of the last Liberal cabinet who are in sympathy with the Home Rule movement will discuss party policy at Mr. Gladstone's house Feb. 8.

The Marquis of Hartington, leader of the Unionist Liberals, has issued a circular to his followers in reference to the opening of Parliament.

Unionist Dissensions.

LONDON, Jan. 28.—It is now certain that the absence of the Marquis of Hartington from the opening of the coming session of Parliament, enforce upon him by his recent illness and departure for the Continent to recuperate, is productive of ill results which threaten more serious consequences than the mere loss of its leader at a critical time would naturally entail upon a political party. It had no sooner become an absolute certainty that Lord Hartington could not be present at the opening of the House than factions of the Unionist party headed respectively by Sir Henry James and Mr. Joseph Chamberlain began contention, which have since developed into a downright fight to determine which of the two was entitled to the ad interim leadership of the Dissident party.

Spurgeon Recovering.

LONDON, Jan. 28.—Mr. Spurgeon is rapidly recovering from his attack of gout.

Tanner Must Give Bonds.

DUBLIN, Jan. 28.—Dr. Tanner, M.P. for Cork, has been required to furnish two sureties of $100 each or serve three months in prison for uttering threats against Smith Barry, head of the landlord syndicate. Tanner has appealed.

A Russian Failure.

ST. PETERSBURG, Jan. 28.—The Serguefeffs, cotton spinners, have failed for several million roubles.

The Floods Extending.

CASSEL, Jan. 28.—The river Fulda is falling and the part of the town that was submerged is now free from water. The floods continue to spread in the valleys of the Werra, the Weser, the Lahn and the Saale.

Portugal's Request Declined.

LONDON, Jan. 28.—A Berlin correspondent says the signatory powers of the Congo treaty replied to Portugal's note declining to take any united official step.

Seven Persons Drowned.

COLOGNE, Jan. 28.—At Grimbinghausen, on the Rhine, a ferry boat was capsized today and seven persons drowned.

Bismarck Asked to Interfere.

BERLIN, Jan. 28.—The Witu Company has sent a dispatch asking the Foreign Office to deamand that the offices of the British Company cease their invasion of the former's trading territory in East Africa.

Cable Flashes.

A disastrous hurricane has prevailed at Buenos Ayres.

Telegrams from Mozambique announce that the local authorities are rapidly conforming to Lord Salisbury's demands.

The Anti-Slavery Conference has resumed its session at Brussels. It is said the British delegates will abandon the proposal for the right of search.

It is semi-officially announced at Vienna that several Powers have written to England in a friendly spirit regarding the trouble with Portugal and requesting that it be submitted to arbitration.

The documents regarding the dispute between France and Holland over the frontier in Guinea, including the cases of the two Governments, are in the hands of the Czar, who, however, has not yet consented to arbitrate.

All the Rage,
Crawl into your cage,
Here comes the "Athlete."
The sweetest, the purest and the best value. 136

MUTUAL RESERVE.

MEETING OF THE MUTUAL RESERVE FUND LIFE ASSOCIATION.

President Harper Presents the Ninth Annual Report—The Prosperous Condition of the Company—Marked Increase of Business—Secured for the Insured—Large Amount of Funds on Hand—Advantages Over the Old System Pointed Out.

NEW YORK, Jan. 28.—The Mutual Reserve Fund Life Association has just held its annual meeting here in the Potter buildings.

President Harper, in presenting the ninth annual report, said that the Mutual Reserve Fund Life Association entered upon the last year of the first decade of its history under the most favorable and auspicious circumstances. The record for 1889 showed that the assets of the company were increased during the year from $2,742,291 to $3,388,807, a net increase of nearly three-quarters of a million of dollars. The surplus reserve or emergency fund had increased from $1,796,678.19 to $2,304,509.35, while nearly $100,000 additional remained on hand, awaiting the apportionment of the auditors. The detailed statement of the invested assets upon improved property in the city of New York showed an increase from $1,296,000 to $1,597,000, being a net increase for the year of invested assets of $301,000. The resolution offered by Gen. Isaac H. Shields of Philadelphia, Pa., and adopted at the last annual meeting, had created a cash surplus special reserve emergency fund of $300,000 to pay immediately the death claims as they occur and are approved. This fund is held by the American Loan and Trust Company of New York, and by its use death claims are paid in large numbers, even before the bi-monthly mortuary call. The income for 1889 was $3,108,595.33, a net increase in income of $396,761.25 over the previous year. During the year 1889 death claims to the amount of $1,836,031.26 had been paid, making a total of $7,600,000. Cash on hand and invested securities in the emergency and reserve fund accounts equalled more than $5,000 for each $1,000 of death claims remaining unpaid on the 31st day of December, 1889, the liabilities for unpaid death claims at that date being $30,000 less than at the same date one year previous. During the year 1889 new applications for membership were received to the amount of $40,346,085, of which was accepted and written $34,819,875, and $5,528,210 rejected. The business in force on Dec. 31, 1889, was $181,358,300, a net increase for the year of $12,435,350, a larger increase than for 1888 over 1887. President Harper's report also contained figures proving that in proportion to its income, as compared with that of the old system companies, the Mutual Reserve had effected a saving to members during its nine years of existence of $25,000,000. In conclusion President Harprr said that the company entered upon the year 1890 with absolute confidence for the future.

His report was received and adopted with much enthusiasm.

Representatives and members of the Mutual Reserve were present from all parts of the United States, Canada and England. Messrs. Wells & McMurtry, Mail Buildings, Toronto, are the agents for Canada.

THE GLOBE'S NEW OWNERS.

GOSSIP OF THE STREET ABOUT THE SYNDICATE DEAL.

Where Did the Money Come From That Purchased Thomas Nelson's Stock—The Last Vestige of the Brown Connection Passes Away—There Is No Good Will or Earning Capacity.

The sale of the "Nelson" stock in The Globe to a syndicate of politicians was a fruitful theme of discussion around town yesterday. The news printed in The World of sale of this block of stock proved to be absolutely correct, as The Globe people announced it themselves. Thus passes into other hands the last vestige of the Brown interest in the journal which was a power in this fair Canadian land in the days of its chief founder, George Brown. The sale of the Nelson stock was conducted with the utmost quietness, and the statements in yesterday's World was as much a revelation to the majority of The Globe employes as it was to the outside public. The finishing touches of this transfer were put on at the Capital since the opening of Parliament, several Reform members being induced to take small amounts. Several of the directors increased their holdings to a considerable extent.

The capital stock (paid up) of The Globe is $500,000.

It's assets are: City's check of $80,000 on account of the Victoria-street extension; plant $30,000; deduct therefrom the excess of its floating debt over its accounts against customers, $10,000, and we have the net assets of the concern, $100,000, if indeed they are that much.

It has no "good-will" or "earning capacity," as no dividends have been paid for three years or more.

This makes the real value of the stock 20 cents on the dollar; the price asked on the street, however, is about twice that, or 40 cents on the dollar.

Thomas Nelson held over $200,000 and not as much as $250,000 of the stock, at the very most $220,000. It is believed that some weeks ago he gave an option on this at 30 cents on the dollar and that he is now receiving a little over $60,000 for his entire interest.

Where Does the Nelson Money Come From?

The question asked yesterday was: Has Nelson's interest been retired out of the $80,000 got from the city or from money raised by a syndicate? If it were the former, then the Taylor interest (Don paper mills) would have the control; if the latter, then the syndicate would have the control. If the former, then most of the money got from the city would go to Nelson; if the latter, then the $80,000 would remain in the treasury for the purpose of trying to get the paper on its feet. The latest information goes to show that the $60,000 came from the syndicate and that they get the control of the paper and the use of $80,000 (less any charges to be deducted for "carrying the by-law," "removing objections" and "promoting