

was in general terms, and not for the West only but for the country. The question of the manner these roads affect commercial interests, the special of the board replied that it had pools and equalized freights from to points in New England, while lines, under the Inter-State law, charged exorbitant rates. In Trunk, it was added, had been in the dressed beef trade. American roads had discouraged the live stock trade and farmers. Only in the case of parcels had Canadian roads diverted the traffic originating in the States. It had been "among the first to open elevators here for the protection and the weighing of grain scales as required by the State. It is openly defied by some American lines of saying that they have the large share of business from by uniformly just and equitable of patrons." The conclusion was that in the opinion of the local legislation affecting the necessary; but that laws should make the bonded system in commerce the Canada trade untrammelled associations, of which example, should be forbidden by law. It is the testimony of the Chicago Trade.

The strong compliment is paid to Canadian lines of saying that they have the large share of business from by uniformly just and equitable of patrons." The conclusion was that in the opinion of the local legislation affecting the necessary; but that laws should make the bonded system in commerce the Canada trade untrammelled associations, of which example, should be forbidden by law. It is the testimony of the Chicago Trade.

From these facts that the railways are by no means without strength, if the States from which it derives its backing were the weakest. Canadian roads could only hope for mitigation of the stroke directed at them. But there are other considerations which may have weight with our railways are treated it is a matter of the Canadian Legislature. This consideration ought to make some of the measures which are exclusively for their competitors.

MERCHANTS' CONVENTION AT HAMILTON.

Time for the Convention of Merchants at Hamilton draws near, the appears of choosing beforehand matters for discussion and what is needed at gathering. What is needed is not spun theories, nor yet elegant essays, so much as practical the systematic and economic business.

A considerable number of letters have been received, we understand, by the committee of the convention, proposing upon a great variety of subjects of the matters mentioned as of an unimportant and merely character; others bear the impress of a unique, and it therefore becomes a question how far it is prudent to use them.

But there are some subjects which deserve discussion. Thus:

1. SELLING GOODS WITHOUT PROFIT.—Causes and remedies.
2. THE CREDIT SYSTEM.—As it affects wholesale and retail; the evils of dating forward; the folly of selling goods to merchants without capital.
3. RETAILERS' SHORTENING TERMS OF CREDIT.
4. CASH DISCOUNTS.—Uniformity needed.
5. STOCK-TAKING.—Annual or semi-annual.
6. A MUTUAL FIRE INSURANCE COMPANY.—For merchants only.
7. PEDDLERS.—Their regulation.
8. EGG AND BUTTER TRADE.—Evils of peddlers' collecting.
9. BUTTER SHIPMENT.—In special cars in hot weather.

TOBACCO "REGULATIONS."

It is not alone the Customs Department at Ottawa that takes spasms of active ingenuity which result in fresh worries to the importer. We find the disorder of misplaced zeal breaking out in the Department of Inland Revenue, which seems bent on worrying the dealer in tobacco. This department appears to have authorized a crusade of late against dealers in town or country who have, actually or by implication, broken certain regulations laid down for dealers, regulations which have, however, long been quietly ignored as either unnecessary, unworkable, or fit to be a laughing-stock. Warning letters have been sent to dealers, and seizures have been made on their premises for some of the Crimes in the Consolidated Revenue Act, 46 Vic., cap. 15. To save time and space we abbreviate the language of these singular regulations.

Regulations, Act 5, section 2, (extracts published 1885) which specifies that "dealers must sell whole packages, each package bearing the properly cancelled stamps, except that retail dealers are permitted to sell plug tobacco at retail from caddies, half-caddies, boxes, or half-boxes."

But section 3 declares that "dealers in manufactured tobacco will not be allowed to cut a package in two and sell the divided portions of the package, nor to retail tobacco therefrom."

There would seem to be needed, before these two sections can be reconciled, some definition of what makes a "dealer," and what a "retail dealer," as well as what constitutes selling at retail. In section 45 of the Tobacco and Cigar Regulations, from Orders-in-Council dated 9th January, 1889, we find the following:

The law imposes heavy penalties on any person who shall open a package of tobacco without breaking the stamp thereon. Sections 55 to 63 give minute instructions how to affix these stamps, and the following section provides recipes for making paste and varnish properly for such purpose.

Truly a paternal Government we have, when so much trouble is taken to enable one to "do all things decently and in order." But will the department explain how the revenue stamp pasted on the middle of a solid tin caddy containing "T. & B." tobacco is to be destroyed in opening the caddy, unless one takes a cold chisel and hammer and cuts the tin forcibly through, injuring every plug it encloses? This pre-

scribed method is absurd. But we have neither space nor time to go over the list of restrictions, permissions, shalls and shall nots, of this somewhat involved schedule. Its grave defect as a whole seems to be that it seeks to place upon the retail dealer duties towards the department which in other countries are placed upon manufacturers or sellers at wholesale. And further that it aims to deal with tobacco and cigars upon a different footing from spirits, vinegar, or other articles controlled by the Inland Revenue Department, and for no good purpose.

What sense is there in forbidding a retail dealer to sell a part of a box of "Prince of Wales" plug, while he is permitted to sell an equal weight of the same consisting of 50 or 100 plugs in single plugs, one after another? How does it affect the revenue? It is months since a large number of dealers in tobacco in Toronto addressed a memorial to the Minister of Inland Revenue asking for the relaxing or abrogation of these stringent regulations, which were properly described as a restraint on trade, "uncalled-for, vexatious, and oppressive." How many thousand dealers in cigars and tobacco there are in Canada we do not know, but there are 778 such dealers in Toronto who have already paid license to the city. A majority of these have, we understand, sent a memorial to the City Council asking for investigation into certain seizures of tobacco made recently by the Inland Revenue officers. This memorial declares it to be "unjust to place upon retail dealers the protection of revenue." It is to be hoped that the Minister, or the Commissioner, will bring their good sense to bear on this precious piece of officialism.

FAILURES IN THE UNITED STATES.

In their circular for the half-year ended with June last, Messrs. R. G. Dun & Co. give the number of failures in the United States for that period and the aggregate of liabilities, with comparisons for the similar period of some previous years. The figures are as under:

| | No. Failures. | Liabilities. |
|----------------------|---------------|--------------|
| Six months 1889..... | 5,603 | \$65,828,853 |
| " 1888..... | 5,189 | 68,114,159 |
| " 1887..... | 4,912 | 55,138,092 |

There was thus an increase of 414 in the number of failures as compared with the like half year of 1888, though the aggregate liabilities were less by \$2,285,306. The increase over first half-year of 1887 was in number 691, and in amount \$10,660,000.

The circular contains reports, at greater or less length, from some sixty cities in the United States, describing the condition of business and the prospects for various crops. In that from Boston, in which it is stated that the rubber and leather goods trades are depressed, and the fish trade exceedingly so, we observe the following sentence: "Dealers are talking up more reciprocity with Canada, believing that it would result in improved business." In Cleveland the volume of trade does not compare well with last year, and shipping is not satisfactory, but manufactures are booming and the prospects for fall excellent. The report from Buffalo tells of a 10 to 15

per cent. increase in production of various manufactures, but "profits are lower and the margin of profits cut down"; lumber not active and building operations rather dull. * * "While business is not as a rule unsatisfactory, and in many lines is reported as more than usually prosperous, as a whole conditions are unsettled, and the effects of more or less over-production with pecuniary stringency and lack of success among the important agricultural classes are manifest." From Pittsburg comes the following account: "Prices of all our commodities are low and profit difficult to obtain, yet most of our mills and factories are running and our workmen are well employed." In Detroit, manufactures have done fairly well, lumber is active. "General jobbing business has about held its own without any marked changes, but in view of the favorable crop prospects a revival and gain for the balance of the year is confidently looked for." From Chicago, St. Louis, and Baltimore the account of prospects was very encouraging.

MUNICIPAL GOVERNMENT OF CITIES.

Municipal government in Canadian cities has developed defects, but it is going too far to pronounce it a failure, as is somewhat the fashion. No doubt it has developed a certain amount of corruption, but on the whole the City of Toronto, for instance, probably gets good value for its expenditure. The weak point in the government of cities is to be found in connection with the contract system. That contracts should always be given to the lowest tender is a good general rule for the protection of the public, but it is one by which no individual would consent to be always bound in his private affairs. In public contracts the rule is all right, provided security be taken that the work shall be well done. But if there be any shortcoming in this respect, a low contract price is no security that the work will be cheaply done, because bad work is dear at any price.

We expect too great sacrifices from our aldermen. The attendance on committees and the general performance of their duties exact a large portion of their time, and the more conscientiously the duty is exercised the greater the sacrifice in its performance. We expect to get all this done for nothing, and the aldermen in effect enter into an engagement to do it without pay. Can it be matter of surprise that aldermen are sometimes suspected of coming under temptation, and of not always opposing to it adequate power of resistance? But as a matter of fact no great amount of corruption is proved to have taken place in connection with the municipal government of our largest cities, Montreal and Toronto, to take two examples. The aldermen are elected only for a year; they are closely watched, and if they are found at fault they have, in nine cases out of ten, but slender chance of re-election. Many of them are comparatively poor; the majority of them can ill-afford to make the sacrifice of time which