

by the government from the firm in question went far into the tens of thousands of dollars, the transactions complained of extending over a series of years; and a deposit of \$7,500 was made by the firm in anticipation of the trial in Exchequer Court. Very recently a suit came before Mr. Justice Curran in Montreal, in which the firm named claimed damages from the Shareholder newspaper for libel, for having ventured to speak somewhat freely of their import transactions. But proceedings in this suit were postponed, some additional evidence, not immediately available, being promised.

It appears that unusual efforts have been made to effect a compromise of the Customs Department suit, and it was rumored that a settlement thereof was imminent. A strong feeling amongst the Montreal trade against any such settlement found expression on this day week when Messrs. A. F. Gault, Jon. Hodgson, E. B. Greenshields and A. A. Thibaudeau waited on Hon. Mr. Paterson and presented a solemn protest against any settlement being made, claiming that honest traders could not compete if such practices as are alleged to have existed in this case were allowed. The evidence in favor of the Government's contention in the matter is, we believe, very forcible; and we may add that the feeling in the dry goods and millinery trade throughout Canada is quite as strong as among Montreal merchants that no compromise of this case should be permitted. If such irregularities are condoned as are alleged to have been committed by Fitzgibbon, Schafheitlein & Co., there are others who will be ready to take advantage of official laxity and bleed the coffers of the country while they make it hard for houses to live which comply frankly with the law. It is so far satisfactory that thus far, if we are correctly informed, no compromise has been entered into and that the Exchequer Court suit is ordered to proceed. It is all very well for sympathisers with the accused firm to make pleas *ad misericordiam*, and to make representations at Ottawa that ruin will follow if the letter of the law be exacted. If the evidence in this matter be as clear as we are told it is there is no room for pity. Other firms have to comply with the customs law, why not this one.

DRY GOODS CONDITIONS.

Stock-taking time has arrived for the wholesale dry goods houses. As usual, efforts are being made to curtail stocks as much as possible until this event is over. Is not such a policy "penny wise and pound foolish?" More than a few sales have been lost by several houses the past week or so, we are assured, by reason of abnormally low stocks. The object of starving stock at this time of the year is, of course, to arrive at a basis by which to determine how many times the stock has been turned over in the course of the year. But if abnormal conditions exist at the time of stock-taking, it will be at once seen that little dependence can be placed on the calculations that are deduced from it. A prominent Toronto house boasts that its stock has been turned over eight times during the year, which, if true, certainly indicates a marked activity in trade.

There is on the part of both retail and wholesale merchants an increasing anxiety to handle their stocks as many times as possible in the course of the year. The achievements of the department stores in this direction have been heralded to such an extent that they have many would-be imitators. While it is a mistake to allow stocks to lie too long in the store, it is just as big a mistake to keep too scant a stock. Safety lies in a mean course. In the craze to turn a dry goods stock over and over again here is also a natural temptation to trade with a very

small margin between cost and selling price—in some cases the margin does not exist at all.

The trade has been interested lately in the reported heavy purchases by Canadian merchants of white cottons from the United States, also flannelettes and saxonys from Great Britain. Investigation shows that a considerable quantity of white cottons have been sold in Eastern Canada, and to a less extent in Ontario, by New England parties. The American markets are in a depressed condition, and these goods are being sacrificed in Canada to relieve the situation over there. A merchant, who has recently returned from a visit to London, Brantford, Ingersoll, Woodstock, and other Ontario cities and towns, where retailers were said to be carrying large quantities of Manchester flannelettes and saxonys, tells us that the Canadian manufacturers are by no means losing their hold upon the home market. In his opinion fully three-quarters of these goods used in Canada are made in the Dominion. When it is considered that the Canadian makers carry some 700 patterns, it will be seen that the old inducement to buy foreign goods, viz., in order to have something that one's neighbor did not carry, is losing its weight.

From all sections of the country are coming reports of active trade and bright promises for the future. Canadian retailers are credited with large purchases in British markets and Canadian cotton manufacturers, and with some exceptions woolen manufacturers, find trade active.

MISFIT EDUCATION.

In an open letter published in the Toronto morning newspapers of Saturday last, the Principal of one of the three Collegiate Institutes in this city comments upon the adverse criticism of our schools pronounced at the recent meeting of the Bankers' Association. Mr. Embree is in error, it appears, in attributing to Mr. Walker sentiments which he did not utter (being misreported in one newspaper), and also in putting upon Mr. Walker's shoulders the burden of the opinions about the Ontario school system which were expressed by Mr. Wilkie in his valedictory as president of the Bankers' Association. It may be as well to state what these gentlemen did say. Mr. Walker expressed the opinion that Ontario students are not well enough grounded in writing, arithmetic and spelling before being pushed forward into other and higher studies. And he further stated that in his own experience of the large numbers of young men or lads who had applied for positions in his bank most of them were wretchedly uninstructed in the matter of spelling.

Mr. Wilkie's views, as expressed in his address, are as follows: "Much has been said lately regarding the useless and extravagant system of education in vogue throughout the greater part of Canada. Boys and girls are being trained by tens of thousands to occupy positions in life that will never come within their grasp, and by their very attainments are being forced to leave the country and seek their fortunes elsewhere. Canada is essentially an agricultural country and one would look for at least an elementary course in agriculture in our public schools, giving the youth of the country an inclination towards the development of the countless riches of the soil; but instead of such a policy we find days and months wasted in the indiscriminate study of algebra and mathematics and the dead languages. We are turning out schoolmasters and doctors for the Western United States and are robbing our own country of its bone and sinew."

Here then is the general indictment, and it is a sufficiently serious one. Let us see how Mr. Embree pleads to it. Passing over his fling at "a well-known university,"