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WINDING UP THE FEDERAL

THE BILL TO THAT EFFECT BEFORE THE BANKING COMMITTEE.

Reported with Some Changes—Synopsis of the Measure—An Interview with Mr. Yarker—Why the Bank Went into Liquidation—La Banque Nationale.

OTTAWA, April 9.—At 10.30 this morning Mr. H. C. Hammond, President, and Mr. G. W. Yarker, General Manager of the Federal Bank of Canada, were pacing rapidly up and down the corridor opposite Room 49, where Mr. Hall's Banking and Commerce Committee was in session. Inside Mr. Nicol Kingsmill, the bank's solicitor, was explaining to the committee the necessity of reporting favorably the bill providing for the speedy and economical winding up of the Federal, which has passed through such a remarkable career, and is now in open liquidation. Mr. Kingsmill's explanation to the committee was so satisfactory that neither Mr. Yarker nor Mr. Hammond was called to give any evidence, although they came down from Toronto to do so in case of necessity. The bill was accordingly reported without much delay, and Mr. Yarker was enabled to go holidaying in the capital, visiting Government House, Mr. and Mrs. Cockburn and many other friends.

Mr. Kingsmill explained to the committee the unfortunate circumstances which had overtaken the Federal and which had forced the bank into open liquidation. The bill before the committee, he said, was entirely satisfactory to all concerned, even to the Finance Department, to which it had been submitted. As I give below an interview with Mr. Yarker concerning the bank's affairs, it is not necessary to speak further of Mr. Kingsmill's remarks. The bill was amended somewhat before being ordered to be reported. Its main clauses now stand:

The Features of the Bill.

H. C. Hammond, Samuel Nordheimer and John Hoskin are constituted an Executive Committee with fees, to realize assets and wind up the affairs of the bank, under the control and supervision of the Board of Directors, which is increased from seven to eight. Thos. Long, ex-M.P., being the eighth director. The Executive Committee, subject to the supervision and control of the Board, shall proceed to realize the assets in detail or en bloc, and to wind up the bank as rapidly as is considered consistent with the prudent realization of the assets, make compromises or arrangements of any kind which would in their opinion be of benefit to the bank, institute, prosecute or defend any actions or proceedings, civil or criminal, and direct the proper officers of the bank to execute any deeds, discharges or other documents that may be considered necessary.

Clause 3 has been entirely reconstructed as follows:

The rank from the date of this act coming into force shall cease to carry on its business except in so far as may be required for the beneficial winding up thereof, but the rights, powers and obligations of the bank and of the directors and of creditors, the liability of its shareholders and the law and bylaws affecting the bank and its creditors and shareholders, including suings and others the rights and powers of creditors and the liabilities of shareholders under the Banking Act and Winding-up Act in case of suspension of payment by the bank of any of its liabilities as they accrue except as expressly varied by this act, shall continue as if this act had not been passed.

Clause 4 and 5 provide for applying the assets of the bank to satisfying its liabilities and the expenses of winding up, dividing any balance among the shareholders and for paying on deposit any portion of its unredeemed circulation in the name of the directors until five years have elapsed from the passing of the act. Then the amount, after paying unpaid notes, is to be divided among the shareholders. Clause 6 provides that the directors shall upon the financial winding up of the bank call a meeting of the shareholders for the purpose of surrendering the charter and dissolving the bank, and upon a resolution passed for that purpose the charter of the bank shall lapse and be extinguished.

Two new clauses were added as follows:

Nothing herein contained shall in any way prejudice, impair or affect existing rights under contract or any trust, security, right or power held or possessed by any creditor or any trustee on behalf of any creditor. All transfers of shares in the said bank after the passing of this act, except transfers made with the express previous sanction of the Executive Committee, shall be void.

Mr. Yarker Interviewed.

Before Mr. Yarker left for Toronto this evening I had a talk with him about the affairs of the Federal, and the circumstances attending its collapse. In answer to the questions he said:

"Notwithstanding the times we were doing well, better than our present statement—being a liquidating one—would indicate, and we were gradually emerging from our trials, and the time had come when, through our increasing business, we could fairly feel the inspiration of hope. We had worked up a first-class business at Toronto, and all the branches except one small one, a fact which has been attested by the liberty with which other banks have taken it up and by the speed with which we are paying off our liabilities. We found hope also in the fact that we had worked our deposits up to $3,500,000, and this without the attraction of a high rate of interest. Our circulation, nearly $900,000, was another encouragement, and like the deposits there was nothing artificial about it. Further, we had recently arranged borrowing credits in London and New York to serve as a reserve, intending not to use it except as a protection against any unusual withdrawal from any cause, and it was owing to this arrangement and the quality of our new business that we so successfully stood the long siege of two months.

"About Nov. 17 the Central Bank suddenly failed, and the alarm created was immediately felt upon our deposits. Two days after this the Canada Southern issued a circular along the line of the railway, and mistaking the name 'Federal' for 'Central,' ordered their agents to refuse our notes. It is impossible to estimate the injury such a circular would do, though in force for only one day or even an hour. A notice was posted in one of the departments at Ogdensburg that Federal Bank notes would not be accepted, and descending the scale of supposed intelligence some street conductors and drayman made a similar confusion of names. The stock was then rifled by margin dealers and slandered by bucket-shop wires, and it almost looked as if the bank was to be defamed out of existence. Even through all this misfortune we steadily passed for many weeks without calling upon the Canadian banks for assistance, but we were in a vortex of ruin, and when the withdrawals reached $1,500,000 we knew we were deprived, and probably permanently, of too large a portion of our earning power, and on that account concluded to retire from business. We therefore on Jan. 26 took the advanced step of borrowing from the assisting banks to enable us to pay off our liabilities, and by this one stroke our depositors and note-holders, at 10 o'clock the next morning, were in sight of their money, to the relief of thousands of people and the advantage of the business of the country.

"I was in accord with this plan of liquidation. Suspension would not only have been an inconvenience for months to depositors, a serious shrinkage of the estate and a cloud upon the business of the country but a needless hardship to the shareholders themselves, for the reason that by clause 72 of the Banking Act the liquidators are compelled to call up part of the double liability in six months if the note-holders and depositors are not paid off within that period, and under the drawbacks of suspension such a payment could not be accomplished in so short a time. Hence our preference for liquidation with open doors, more particularly as we knew we could perform it as we had good security to offer, no over-issues to hide and no irregularities of any kind."

Mr. Yarker said further that they expected to "get out" inside of two years. The amount of assistance obtained from the other banks was $1,700,000, although it was originally intended to ask for a million more than this. This liability had been reduced to $1,100,000. The total liabilities of the Federal now amount to $1,300,000. Five months ago it was $4,300,000. The reduction of the liability had been the most rapid on record, at the remarkable rate of $600,000 per month, $150,000 per week or $25,000 per day. The amount due shareholders is $1,250,000 and Mr. Yarker thinks they will get a very good percentage of this sum.

La Banque Nationale.

The committee reported the bill to reduce the capital stock of La Banque Nationale. The reduction amounts to 40 per cent. instead of one-third as asked for by the directors. The stock will now stand at $1,200,000 instead of $2,000,000, the nominal amount heretofore. A clause has also been added to the bill providing that nothing therein contained shall alter the liability of the shareholders to the creditors.

Mr. Scarth and Peter Mitchell, who are directors of the Merchants' Marine Insurance Company, having withdrawn their opposition to the bill providing for the winding up of the company it was ordered reported by the committee.

Natural Gas at St. Thomas.

ST. THOMAS, April 9.—The gas company has been boring here for natural gas and struck a heavy flow at a depth of ninety feet on Saturday and increasing as they go deeper. The gas did not throw a flame at least thirty feet high. Experts say it is the purest they have ever seen.

BISMARCK BEATEN.

The Chancellor's Opposition to the Marriage Withdrawn.

BERLIN, April 9.—It is stated to-day that Prince Bismarck has abandoned his opposition to the marriage of Prince Alexander of Battenberg and the Princess Victoria, having gained certain other concessions and that all the differences between the Emperor and Prince Bismarck are now settled.

The Chancellor and the Empress.

BERLIN, April 9.—A story is circulated here to the effect that at the first conference of Prince Bismarck with the new Emperor the Empress was present, at which Prince Bismarck seemed surprised, although he said nothing about the matter. But at his second conference with the Emperor, at which the Empress was also present, he hesitated about commencing his report. The Emperor asked the cause of his hesitation, whereupon he replied that he was not accustomed to confer with the monarch in the presence of a third person, and felt that his attention was diverted thereby. The Empress instantly left the room, and it is said has never since appeared at the conferences of the Chancellor with the Emperor.

Bismarck Seriously Ill.

NEW YORK, April 9.—The Sun's Berlin correspondent says Bismarck is seriously ill. When he announced a few days after his difference with the Emperor that his health would force him to resign, it was looked upon as a pretext. Undoubtedly it was only half true at the time, but since then the Chancellor's illness has grown into an accomplished fact. He was more affected by the death of his idol, the late Kaiser, than the public, which believes him a man of iron insensibility, imagines. Concerning the details of his illness the most profound secrecy is enjoined.

"A British Plot."

ST. PETERSBURG, April 9.—An inspired article in The Grajdanine says that the Battenberg marriage plot is a British plot to secure Prince Alexander's return to Bulgaria, to which Russia ought to reply in the mountains of Afghanistan.

The Empress at Posen.

BERLIN, April 9.—On the arrival of the Empress at Landsberg she was received by the municipal authorities and other officials. She thanked them for their devotion and their work in rescuing those imperilled by the floods. The Empress arrived at Posen this afternoon. She stopped at other places besides Landsberg and was everywhere greeted with enthusiasm. The Polish leaders have issued a manifesto asking the inhabitants of Posen to sink their national disputes and unite in welcoming the Empress.

MONTREAL'S MUDDY STREETS.

The Star's Cleaning Movement Inaugurated—M.P.'s With Picks.

MONTREAL, April 9.—The men and carts for which The Star advertised on Saturday were set to work at 9.30 this forenoon, and about 300 laborers and 100 carts had before 5 p.m. cleaned the greatest part of the business portion of St. James-street. At 2 p.m. about 100 of the wealthiest and most prominent citizens, commanded by Lieut.-Col. Strathbonia, D.A.G., and consisting among its members of men at the Hon. Henry Stearns, ex-Minister of Public Works, and at present Legislative Councillor; Hon. Peter Mitchell, M.P., Lieut.-Col. Durnan, M.P., Lt.-Col. Oswald, J. S. Hall, M.P.P., ex-Mayor Beaugrand, and others equally well known, assembled in The Star office and marched, armed with picks to the corner of McGill and St. James-street, where at the call of the bugle and amid the cheers of the assembled multitude they began to break the ice in the street for the purpose of showing their sympathy with the movement inaugurated in the morning.

In Favor of a Ship Canal at the Falls.

WASHINGTON, April 9.—Senator Evarts (N.Y.) to-day presented petitions of the Common Council of Ogdensburg, N.Y., and the Oswego Board of Trade in favor of the bill to construct a ship canal around Niagara Falls.

Senator Evarts also introduced a bill to extend the criminal jurisdiction of the Circuit and District Courts of the United States to the crimes and offences committed upon the great lakes or any body of water connected with said lakes, on board of any vessel belonging in whole or in part to the United States or any citizen thereof, with like force and effect as if the same were committed upon the high seas within the jurisdiction of any State.

An Operation Performed on Conkling.

NEW YORK, April 9.—An operation was performed on Roscoe Conkling late this afternoon. Dr. Sands removed a portion of the temporal bone and found a secretion of matter which was drained off. The operation was very favorable and gives the patient a chance of recovery. He remained unconscious throughout the operation.

Two Octogenarians Burnt to Death.

BARRIE, April 9.—John and David Bowman, aged 82 and 84 years, living together near Midhurst, were burned to death on Saturday afternoon. They were seen walking round in the morning. In the afternoon the neighbors discovered the house burned to the ground and nothing but the charred bones of the poor old gentlemen left.

The League still Lives.

DUBLIN, April 9.—The Freeman's Journal says: "Balfour's provocative and foolish boast that the National League had been killed, when pricked exploded like a burst bladder. The meetings held yesterday establish conclusively that the league is alive and kicking.

Ex-Banker Cutten Again Held for Trial.

GUELPH, April 9.—Ex-Banker W. H. Cutten was to-day committed for trial on the two charges laid by William Kay, one the fraudulent conversion to his own use of $10,000 given Cutten by Kay to pay a mortgage, and the other obtaining $3500 by false pretences. Bail was accepted in both cases.

Uncle Sam's Moorish Dispute.

TANGIERS, April 9.—A treaty was signed today whereby the Sultan agrees to leave the dispute between the United States and Morocco to the decision of a Moorish representative and the American consul. If they fail to agree a European referee will be nominated, whose decision shall be final.

Dr. Smythe's Library Burnt.

MONTREAL, April 9.—Early this morning a fire broke out in the residence of Rev. Dr. Smythe. It was caused by a lamp explosion. The damage to books and furniture will be over $1000. Dr. Smythe was severely burned about the head and hands.

Cotton Manufacturers' Meeting.

MONTREAL, April 9.—A meeting of the cotton manufacturers of the Dominion is to be held in this city on Wednesday next to make arrangements for the coming season. The Nova Scotia and New Brunswick mills are to be represented.

Boulanger's Majority.

PARIS, April 9.—Gen. Boulanger received 59,500 votes in Dordogne yesterday against 35,750 for his opponent. LaLanterne says Boulanger will refuse to accept the seat for Dordogne, as he desires to sit for the Department du Nord only.

"Q" Engineers Going Back to Work.

CHICAGO, April 9.—Fifty of the old Burlington engineers have gone back to work. An assessment of $5 upon each of the 40,000 engineers and firemen belonging to the Brotherhood is to be made this week to maintain the idle strikers.

Bismarck Loses by the Floods.

BERLIN, April 9.—The Elbe is subsiding slowly. Prince Bismarck's Varzin property has been damaged several thousand dollars by the floods.

Jews to be Expelled from Odessa.

ODESSA, April 9.—It is officially announced that all foreign Jews in this city, numbering 10,000 families, chiefly natives of Austria and Roumania, will be expelled shortly.

Legislative Obstructionists.

WASHINGTON, April 9.—In the House to-day the dilatory tactics against the Direct Tax Bill were again put in motion and the House accomplished no business.

Queen Victoria's Intention.

BERLIN, April 9.—It is said the Queen of England has sent Prince Henry of Battenberg to Malta, and that she will not now visit Berlin.

UNITED STATES NEWS.

Thomas Sholes, a wealthy grocer who had had pleaded guilty to an indictment charging him with selling oleomargarine, was yesterday sentenced to three months in the penitentiary.

The Niagara Falls Hydraulic Power Company of New York, with a capital of $100,000, has been incorporated to operate hydraulic works at Niagara Falls.

THE "OLD MAN" PUZZLED.

MR. MULOCK'S LITTLE TRAP FOR THE GOVERNMENT.

The Session of the House Yesterday Devoted Mainly to Clearing Up the Order Paper—A Great Accumulation of Business Disposed Of—A Pathetic Appeal.

OTTAWA, April 9.—Mr. Mulock somewhat surprised the Government this afternoon by calling up the order-in-council published on Saturday placing certain articles on the free list "when imported from the United States." The proclamation distinctly says that these articles shall be admitted duty free from the United States but makes no mention of other countries. Mr. Mulock wanted to know if the Government intended to discriminate in favor of the United States as against all the rest of the world and the Mother Country in particular. He held that the act of 1879 did not give this power and that the duty when taken off at all must be taken off all round. He wanted to know if the Government had abandoned the position so strongly held during the recent debate, that they would in no sense discriminate against Great Britain.

Sir John Macdonald was considerably puzzled when this question was put to him, and held a hasty conference with Mr. Bowell and some others of his colleagues, then he arose and said that the Government had not abandoned any position. The proclamation in question had been issued in answer to an application from the United States. It was a special case and there was no intention whatever to discriminate against Great Britain. However, a new proclamation would issue including all the countries in the world from which these goods could be imported free.

The balance of the session until the adjournment at 11 to-night was devoted to clearing off the order paper, which had become very much congested owing to the long debate on the Unrestricted Reciprocity motion. There was a great accumulation of business to be disposed of, but the House managed to get rid of a goodly portion of it.

At 9.30 to-night Mr. David B. Meigs, the member-elect for Missisquoi, presented himself at the eastern entrance to the chamber and was introduced by Mr. Laurier and Mr. Foster and took his place. Then Mr. Meigs was run into the House between these two gentlemen, presented to the Speaker and took his seat, being sworned, of course, by the Liberal Government.

Private bills Nos. 26, 77, 16 and 53 were read a third time and passed.

Information from Ministers.

When the questions were reached the Minister of the Interior stated that the vacancy caused by the death of Dr. McKinnon, late physician on the Indian reserve of Brant and Haldimand, had not been filled.

Sir Hector Langevin told Sir Richard that the matter of letting the water power on the new canal near Thorold was being considered by the Government.

Mr. Cook had questions on the paper, whether the Government was going to assist Kingston to build a breakwater, deepen the harbor, complete the harbor improvements at Midland and build a postoffice at Orillia. Sir Hector said the supplementary estimates would answer these questions.

Mr. Edgar, moving for certain papers, had a good deal to say about the cost of printing the Dominion Debates. He said last Session the appropriation for this service had been $25,000, and $37,000 was spent.

Mr. Mulock made a pathetic appeal for a pension for the widow of Private Thomas Neely, late of "C" Company School of Infantry, who died from the effects of exposure and taking back from the Northwest rebellion. Private Neely's death was of peculiarly sad circumstances. He was a Toronto Street car driver, as to this and said he intended to report to his colleagues for a pension to Mrs. Neely.

Mr. Edgar got several motions through for information respecting railroads in the Northwest.

Mr. Fiset, after a twenty-minute speech, moved for a return showing the cost of the quarantine service of Canada. The Premier asked him to withdraw the motion, promising that the Government would make any investigations that were necessary.

Mr. Laurier withdrew his motion for copies of the correspondence between Canada and Newfoundland concerning the admission of the latter into the Confederation, as the correspondence is not yet concluded.

There was considerable of a talk on a motion of Mr. Edgar's asking for papers with reference to the revoking by Act of the United States and Canada, during which it was stated by Sir John Macdonald that the Canadian Government had never prevented American wreckers from assisting in our waters in cases of actual danger or distress.

Mr. Kirkpatrick has a bill before the House which is likely to pass, dealing with this subject, and so has the American Congress.

Bank Supervision.

The wind-up of the session was a debate on a resolution of Mr. Casgrain:

That it is expedient to provide for a better supervision by the Government of all the banks of the Dominion.

The mover, Mr. Innes, and Mr. Foster addressed the House in support of the resolution. They moved the adjournment of the debate. All of the speakers condemned the present banking supervision as very faulty and defective.

UNDEVELOPED RESOURCES.

The Vast Mackenzie Basin—Projected Navigation of the Saskatchewan.

OTTAWA, April 9.—At the meeting of Senator Schultz's Mackenzie River Committee this morning letters were read from Bishop Isidore Clut of Ariandale who has spent thirty years in that country, Bishop Lafleche of the Red Rivers, Hon. Wm. Ross, ex-M.P., and W. J. MacLean of Lower Fort Garry, offering to give evidence about the great expanses of country in the basin of the Mackenzie River at future dates. The remarkable statement was made by Senator Schultz that His Lordship of Three Rivers could not speak English, and a series of questions in French will be sent to the bishop who will write his replies opposite them. Ex-Judge Malcolm McLeod of Ottawa, who was born between the Saskatchewan and Mackenzie Rivers, will also give evidence. His father built Norway House and Fort Carlton, destroyed by the rebels during the recent Northwest insurrection.

The Secretary of the Winnipeg Board of Trade and Mayor L. N. Jones of the same city will probably be summoned to give evidence as to the possibility of commencing navigation of the Saskatchewan, with trunk lines of railways at Winnipeg, or Edmonton, is connected by land carriage of ninety miles with the navigation of the Athabasca, Peace, Great Slave and Mackenzie Rivers.

James Anderson, Reeve of Georgiana in York County, gave additional evidence and will be recalled to-morrow. He read extracts from a diary kept by his father in 1885 while in search of the remains of Sir John Franklin and his ill-fated expedition. On the way from Fort Simpson to Great Slave Lake he saw strawberries in flower on June 7, and a few days later, on the south side of Great Slave Lake, he found grass eighteen inches long, in latitude 61°. In the same district poplars were in leaf at this date. Great Fish River, latitude 65°, was an immense feeding and breeding ground for geese of various species and the summer home of the musk-ox and cariboo. This river has been visited but twice, once by Anderson and once by Henry Back. The Mackenzie River opens at Fort Norman and at Fort Good Hope, latitude 65°, on May 8.

He mentioned a new river that was discovered by his father, lying between Great Bear Lake and the Arctic Sea, traversing from its source at latitude 67° north to the outlet of the Arctic Sea, called the Inconnu or Unknown River. This river, strange to say, opens in spring before the Mackenzie and had near its source sulphur and petroleum springs in abundance. Its width was equal to the Mackenzie at Fort Simpson. The barren grounds are about 180,000 square miles less in extent than has been heretofore supposed, and consequently the area may be added to the pasturage area of the Mackenzie.

Of Interest to Gun Clubs.

OTTAWA, April 9.—Col. Tisdale is going to oppose Adam Brown's bill for the prevention of cruelty to animals as far as it refers to trap-shooting. The Colonel considers himself a thorough humanitarian but holds that there is absolutely no cruelty about trap-shooting any more than there is about fishing. The birds die an easy death and those that escape or are wounded by the original marksmen are invariably killed by the outposts. This bill is of considerable interest to the several gun clubs of Toronto.

A Sault Ste. Marie Deputation.

OTTAWA, April 9.—To-day a deputation from Sault Ste. Marie, composed of Mayor Biggins, John Cousins of the Michipicoten mines, George Marks of the Bruce mines, and W. F. Davidson of Port Arthur, accompanied by Mr. Lawson, Adam Brown and Mr. Masson, M.P.s., had an interview with the Minister of the Interior. The object of the visit was to urge upon the Government to rescind the recent mineral regulations in respect to Indian lands in Algoma. They pointed out that these regulations would drive miners out of the district. Similar regulations had not been successful in any country where they had been tried, and merely revived an obsolete and impracticable order of things.

The Ocean Mail Contract.

OTTAWA, April 9.—It is reported that the Government will extend the present contract of the Allan and Dominion lines of steamers for carrying the British mails for one year, it being decided advisable to wait a few months to see how the new class of fast vessels now building turn out. The Government is desirous of procuring the very best service that can be obtained. It is thought that this can be accomplished, and at the same time be able to have a class of high speed boats which will make a specialty of carrying mails, passengers and the lighter class of express freight, leaving the carrying of general freight to the regular freight steamers. No doubt the Government will be able in the course of the year to make such a contract as will meet the views of the travelling public, and at the same time to have a service equal to the fast lines now running between Liverpool and New York.

CAPITAL NOTES.

Sir Charles to Introduce His Bill Respecting the Fisheries Treaty To-Day.

OTTAWA, April 9.—The Senate sat for an hour to-day and assented to a second reading of Mr. Abbott's bill for the protection of submarine cables. Senator Frank Smith of Toronto, after an absence of several weeks, was in his place to-day.

Mr. Scarth bid good-bye to the House to-day and left for Winnipeg to-night. He will not return this Session. The tide of immigration has set in in Manitoba and Mr. Scarth's services as manager of the Canadian Northwest Land Company are absolutely required at home.

Hon. J. H. Pope is slowly recovering. To-day, muffled in great furs, he took a drive around Parliament Hill.

Sir Charles Tupper, it is understood, is well enough to-night to be able to be in his place to-morrow when he will introduce his bill respecting the Fisheries Treaty.

BRITAIN'S PARLIAMENT.

A New Egyptian Loan—King-Harman's Salary—The Budget.

LONDON, April 9.—In the House of Commons this evening Sir James Ferguson, Parliamentary Secretary for the Foreign Office, stated that a new loan, amounting to $10,000,000, had been made by the Egyptian Government.

The House resumed the consideration of clauses 108 to 109, the payment of a salary to Right Hon. E. R. King-Harman, Parliamentary Under Secretary for Ireland. A motion by Mr. Justin McCarthy to adjourn debate on the question was defeated by 169 to 104. Mr. T. P. O'Connor declared that the Nationalists were resolved to oppose the bill at every stage.

The House went into committee on the budget resolutions. Mr. Gladstone wanted to know what course the Chancellor of the Exchequer would take in the event of the House not adopting the new taxes. He commended the budget as a whole, but said that the proposed increase demanded close scrutiny.

Mr. Goschen thanked Mr. Gladstone for the complimentary part of his criticism. He upheld the budget scheme as a whole, and said he trusted the House would accept it.

ALLEGED LIBEL BY THE EMPIRE.

High-Constable Gale Awaits Managing-Editor Creighton's Return to Toronto.

Managing-Editor Creighton will be confronted upon his return to Toronto with a warrant for his arrest in an action for criminal libel commenced against The Empire by Hon. Mr. Mercier, Premier of Quebec. The warrant, which was issued in Quebec, was presented for endorsement to Police Magistrate Denison yesterday, and that official having taken the matter into consideration, decided in nowise faulty, promptly attached his name thereto, and thus empowered High-Constable Gale of Quebec, who presented the warrant, to take Mr. Creighton into custody. Mr. Creighton, so the Quebec officer was told, when he stepped off the train at Toronto, a special editor in that office yesterday, was out of town. He was further told that Mr. Creighton would probably be back to-day. Mr. Gale will therefore await his victim's return. He says that he will not be inconvenienced even if Mr. Creighton does not put in an appearance for a fortnight. "I believe," he said, "I am dealing with a gentleman. Mr. Creighton will find that I am one too. I will give him time to arrange his business." The proceedings are only preliminary. Mr. Creighton will accompany me to Quebec, where bail will be accepted for his appearance for trial."

Royal Troubles.

Princess Victoria of Germany and her lover, Alexander of Battenberg, are realizing the truth of the old adage that "the course of true love never runs smooth." Whatever advantage there may be in being a Princess it seems that there are also some drawbacks, and it is fair to infer that there are times when some of these royal ladies would gladly exchange places with some of our ordinary aristocratic girls, who at least have the chance of eloping with their father's coachman if they feel so disposed and "Jehu" is willing. Turning, rather abruptly we confess, from the royal muddle, we would mention incidentally, that there seems to be no decrease in the demand for "THE DINEEN HAT," on the contrary, the increase is a very comfortably perceptible one, and the prices, $2.50, $3 and $3.50, are considered low for the value received.

Man's Inhumanity to Man.

As one of The World's young men was going up to his tea last night he was attracted to a spot on Wilton-avenue near Seaton-street, where a large crowd had gathered to witness the arrest of a helpless drunken man who could not stand on his legs. The wretched man was in the hands of two stalwart policemen, one of whom was not in uniform. he had been manacled and thrown to the ground, and while one of the peelers was throttling him, the other was felling him unmercifully. A lady who were passing said that it was a shame, and induced the gentle creatures (the policemen) to get a wagon and drive the unfortunate to the station. The World's young man proceeded to the station to find out the number of the guardian of the peace who did not wear his uniform, the kicker, and he was roughly put out of the station. Determined to find out the number of the brute, in order to award him a prize at the champion kicker of Toronto, he once more entered the station and was told that he wore No. 20; the throttler's number is 57. Both men were in the station highly elated over the success of their important capture, and congratulating each other that they had come out of the fray unscathed.

Improvements in the Gardens.

The sub-committee of the Property Committee detailed to inspect the Horticultural Gardens, with a view of seeing what improvements were necessary made the visit yesterday afternoon, and came to the conclusion that the gardens could not be put in anything like proper shape unless the present unsightly fence be replaced with a low iron one, that the walks be gravelled, and four electric lights be provided.

Their Open Meeting.

Temperance L.O.L. 301 had an open meeting in Victoria Hall last night, Bro. Major James Bennett presiding. On the platform were also Bros. Edward Medcalf and H. Gibbon. A varied and interesting program was gone through with, and those present, who numbered a couple of hundred, seemed to thoroughly enjoy themselves.

The Solicitor's Staff.

City Solicitor Biggar has taken in Mr. Thomas Caswell as assistant, and Mr. Joseph Black as stenographer. Mr. Caswell has a thirteen years' experience at the bar, and until his present appointment was in partnership with Mr. W. A. Reeve. The services of Mr. Bowes and Mr. Sutherland have been retained.

Chairman Irwin Exonerated.

In a letter to the City Council last night dealing with the question of city leases, the City Treasurer exonerates Chairman Irwin of the Property Committee from all blame in connection with the recent lease muddle, and states that an explanation of the whole matter will shortly be submitted to the Mayor.

Bismarck on Strike.

Alexander of Battenberg seems destined to a stormy career. His brief Bulgarian reign ended in a revolt, and now his proposed marriage threatens to bring on the great dreaded war between Russia and Germany. The long and the short of the whole matter is that both Bismarck and Alexander require some of quinn's pique shirts before tranquility can be entirely restored.

WHAT IS TRUE TEMPERANCE?

Rev. D. J. Macdonnell Repeats His Liberal Sentiments at C.E.T.S. Meeting.

In the absence of the rector, Rev. Canon Baldwin, the assistant rector, Rev. R. A. Bilkey, presided at the closing meeting for the season of the Church of England Temperance Society in connection with the Church of the Ascension. The meeting was held in the school-room, which was crowded, as it was announced that Rev. D. J. Macdonnell of St. Andrew's Church would talk on temperance.

Mr. Macdonnell was loudly applauded on coming forward. He said he admired the basis of the Church of England Temperance Society, which included not only abstainers, but also those who were not abstainers. He did not believe in the methods of those who, because they were total abstainers themselves, refused to countenance others whose practices did not agree with their own. He always had opposed and always would oppose the distorting of Scripture in order to support certain views on temperance, and he believed there were some wrong methods used in advocating that cause. He thought the church and not the lecture platform was the proper place to talk temperance, but he would at all times and in all places denounce the methods of Christians who would hold out tyranny as their shibboleth in this matter. He did not believe in the Christianity that condemned a man because he partook of wine, which the Master sometimes did Himself. "But mind you," he continued, "good wine in Palestine and bad whisky in Toronto are two different things." Every Christian is a temperance man, whether he be a total abstainer or not, and every Christian church is a temperance society. It was well to take the widest view of temperance and not to deal with man in his complex nature. Yet he would not encourage young men who were total abstainers to ever depart from the line they had chosen.

If he was asked how he could draw the line in moderate drinking, how a man could tell when he had had enough to drink, he would reply by asking him as easily as he could tell when he had had enough turkey to eat. This he said in all seriousness, because doctors declared there were more deaths from over-eating than from over-drinking.

He thought there was something lacking in the argument that whisky is the cause of intemperance, and that if it were not for the sale of it were stopped whisky drinking would stop also. That might be so, but if whisky was taken away from old topers they would take to other outlets for their depraved tastes. Before the manufacture of whisky is prohibited people should become absolutely indifferent to its use. The cause of intemperance had not been touched upon, the first being that in man, cases it was hereditary. "The sins of the fathers shall be visited on the children even unto the third and fourth generation." Idleness and improvidence were other great factors in causing intemperance, and the "street preachers and universities were training schools of drunkards." The early training of the boy had much to do with the future of the man. Some of the brightest ornaments in the learned professions were the miserable slaves of drink; but the leading men of Canada, the thinking men, the brain workers, were in the very infinitesimal proportion drinking men. We owe it to our children, to our friends, to the strangers within our gates, to furnish to them a healthy and wholesomely providing for their physical wants and mental abilities. Paul's counsel was very good, "Let us eat and drink for to-day we live to in this higher life and eat to live, not live to eat. The motive which will finally prevail is Jesus Christ and our only hope is in Him."

At the close of the address Mr. G. C. Warburton, secretary of the society, announced that they now had 835 names on the roll.

LIVING ON LAW STUDENTS.

THE DISGRACEFUL RECORD OF THE LAW SOCIETY OF ONTARIO.

The Ruse by Which it Escapes Taxation on its Valuable Property—Eight Hundred Dollars Spent Yearly on Legal Education—High Time for Reform.

Our readers are probably aware that measures have been taken towards the establishment of a Law School in Ontario. It may be well to recapitulate the course of action taken to date and to point out certain aspects in which the matter is of interest to the general public and the necessity for a reasonable pressure of public opinion.

The Law Society of Upper Canada is a wealthy corporation. From its balance sheet for 1887 we find that its income was $46,018.36 and its expenditure was $44,304.75, leaving a surplus balance of $1814.15 for that year. What the amount of the funded savings of the society is we do not know and we have not the means of ascertaining. The popular impression is that there is some very large amount—one of the items of receipts is "Interest and dividends $2304.29." Five per cent. on $60,000 is $3000 per annum. Probably about that sum would represent the funded capital of the society.

The proportion paid by students of the total annual income of the society was one-half or $23,409.60.

The expenditure on the students was $5058.22 or one-tenth of the whole income.

Those who contribute one-half have one-tenth expended upon them.

Of the $5058.22 expended on students the following are the items:

Salaries	$2200 00
Scholarships	1150 00
Printing, stationery and models	396 22
Examiners for matriculation	302 00
Total	$5058 22

These payments must be dissected in order to ascertain how much is spent on examination and how much on teaching law. The same gentlemen (Messrs. Armour, Reeve, Kingsford and Drayton) act as examiners and lecturers. They receive each $600 as examiner and $200 as lecturer. Their functions are kept entirely distinct, and we are told that their instructions are not to lecture on the subjects of examination. Thus the whole expense incurred by the Law Society for legal education amounts to $800 out of an annual income of over $23,000 contributed by the students.

A system must be judged by its results. What are the results of the Law School so far? The attendance, we are told, is never over thirty or so, and is generally four or five. What is the reason? The lecturers are acknowledged to be competent and satisfactory. No word of blame has been attached to them. It is conceded that if a satisfactory Law School were established that a student would be only too glad to take to the benefit of the lectures. It is also conceded that the present happy-go-lucky method of pitchforking a youngster into law and letting him sink or swim, without any guidance, good, bad or indifferent, is unsatisfactory to all concerned. It is conceded that a systematically trained professional man is a better lawyer than one with a defective education. Admit these premises and the conclusion is obvious that a good Law School is not enough, but necessary, and that the conclusion is also reached that the present Law School must be a farce. The fact is that the Law Society, by keeping up a staff of lecturers at $800 a-piece, pays payment of city taxes. If they had not this alternative, even this expenditure of $800 would be wiped out.

The Law Society, when it takes on the matter, allege that individually they are in favor of a Law School and believe in it, but that the Government, the Legislature, the people are opposed to it. Formerly a premium was offered to students to attend lectures by shortening the period of their apprenticeship. If the country was so strong that the school would have been abandoned had it not been that by doing so it would have lost students' fees they escaped taxation. We give these statements for what they are worth, but it is evident that whatever be the cause the Law Society is not doing its duty in educating its students.

Fortunately, another institution is alive to the public interest in this regard. The Council of University of Toronto Senate appointed a committee to open negotiations with the Law Society in the direction of establishing a Law School. The Law Society then appointed a committee to confer with the Senate Committee, and a resolution was passed "that it was desirable to establish a Law School in conjunction with the University of Toronto." Messrs. Moss, Q.C., and E. Martin, Q.C., as representing the Law Society, and Vice-Chancellor Mulock and Messrs. Kingsford and O'Sullivan, a representative committee of the University of Toronto, were appointed a sub-committee to draw up a scheme for submission to the joint committee. Chancellor Boyd of Ontario was also selected to act as chairman of the sub-committee as well as of the joint committee. The result of the labors of the sub-committee was a unanimous report to the joint committee, which was adopted by the joint committee after discussion and also before both the Senate of the University and the benchers of the Law Society. The Senate adopted the report, but the Law Society did not adopt it. At a meeting held on Feb. 17 it was ordered by the Benchers as follows:

Ordered, that the consideration of the report of the committee on the establishment of a University in maintenance of a Law Faculty be deferred until April 10 next, at 11 a.m., and that the committee to which was referred the said subject be reappointed, and that Messrs. James Maclennan, Q.C., and H. W. B. Murray be added to the committee thereof; and that such committee be requested to consider further the matters referred to them by the joint committee, and to request the authorities of the universities in the Province of Ontario to make suggestions in writing upon the subject-matter of the joint committee and upon the report already submitted to Convocation, and to request the presence of a representative of such bodies at its meetings, and to report to Convocation the said matters on or before March 24 next, by transmitting the same to the secretary of the society; and to have printed and sent to each member of Convocation a copy of such report, with any further suggestions and memoranda it may think proper; and that special call of Convocation be made for 11 o'clock on April 9 next, to consider such report; and it is further ordered that the secretary transmit to every county Law Association a copy of the report of the joint committee appointed by the Law Society of Upper Canada and the senate of the University of Toronto, dated Feb. 5, 1888, and also a copy of the above resolution, and request that the same be brought to the notice of the members of the association.

Since then, we understand, representations have been made by Trinity and Queen's practically opposing the scheme on the ground that it gives the University of Toronto an undue advantage.

Proper opposition has also been manifested by certain Benchers who hold the view that the Law Society should entirely and exclusively control legal education.

Both of these grounds are sure to be strongly urged at the meeting of the Benchers to be held on April 14. We are not concerned between the rivalries of competing universities, but if the proposed scheme is satisfactory and the University of Toronto is in a position to carry it out, then the interests of other universities should not stand in the way. On the other hand, if those Benchers who contend that the Law Society should have exclusive control of legal education are not prepared to lay before their colleagues a well-considered, sufficient alternative scheme providing for a complete system of legal training, then they should not stand in the way of the proposed scheme, which has the sanction of the Chancellor of Ontario and the distinguished committee which prepared and published that scheme.