arrangement as to the days on which the religious teachers of different denominations shall attend. Will it always be possible to separate the children for this purpose? Those not of the denomination to which the minister of the day belongs will be free to go; but on this liberty the weather may sometimes put a veto. The provision that, in certain cases, the teacher must be of a particular religion, is at variance with the idea of a national and non-sectarian school. The question is full of inherent difficulties, and it is not surprising that months of negotiations have not been able to eliminate them. The main point is, of course, whether the Catholics accept the settlement. This acceptance there is an attempt to secure by an appeal to Rome; what chance there is of its succeeding is in doubt. An order from Rome generally settles matters in which the Catholics are concerned, but not always, as the history of the university trouble between Laval and its critics proves.

Mr. Sandford Fleming's contention that the St. Lawrence does not offer a safe route for a swift line of Atlantic steamers has not been permitted to pass unchallenged. His statements have met contradiction from Admiral Sir John Hopkins, recently commander of the North-Atlantic squadron, captains of the Canadian mail and other steamers, and marine officials. These statements, in contradiction of Mr. Fleming, are to be widely circulated. Meanwhile the question is being complicated by the claim of rival Atlantic and riverine ports to be the terminus of the Atlantic line of steamers. The question cannot be settled on the strength or supposed strength of local claims; it must be, as a Montreal journal points out, decided in consideration of what is best for the country at large.

A company formed nearly twenty years ago and recently remodeled in its personnel, to meet supposed political exigencies, has interviewed the Local Government of Quebec, to present a request of a subsidy of $1,000,000 towards building a bridge over the St. Lawrence, at Quebec. The city of Quebec is asked to give a like amount, and a subsidy from the Federal Government is looked for. The company's plans, which were sent to Ottawa some years ago, have not yet been approved. As subscription to the company's stock amounted to only $558,000, it is clear that the plan is to permit two governments and the municipality of Quebec to a partnership in advancing the capital; but if there be any dividends they are all to go to the private persons who form the company. Mixed partnerships of this one-sided kind have lost their charm. Suppose the two governments and the municipal corporation, which are asked to subscribe nearly six-sevenths as much as the company's capital, were to dispense with the company's aid, and do the work jointly and receive the revenue, would they not act more wisely than to give three millions for the benefit of a private company? Australia has solved this problem, and it is about time the news reached Canada.

COMMERCIAL WAR.

Between three and four columns of the St. John *Gazette* of last week are occupied with the subject of what is known among dry goods dealers as Flannelette War, between the W. Parks & Son cotton mill in that city and the Canadian Colored Cotton Co. The former company had the audacity to make a lighter grade of flannelette which was sold to the trade at 6 cents per yard, while the staple price of the Colored Cotton Co. was 6½ cents. Thereupon the latter concern, which controls all the colored cotton factories in Canada except that of Messrs. Parks, put down the price of flannelette to 5 cents, with the object, as its agents then stated, of protecting their customers. Would not a reduction to 6 cents have protected them? The result has been to unsettle trade and cause loss to earlier buyers, to prevent retailers buying freely because another cut might come at any time, and also probably to occasion a loss to the rival producers of flannelette at 5 cents.

The *Gazette* sees in the action of the Colored Cotton Company only an effort to close up the Parks' mill and to injure St. John. And it asserts that the Bank of Montreal and the cotton kings of Canada determined to "crush out Parks' mill and deprive St. John of the great manufacturing concern which employs 500 or 600 people all the year round." What the Bank of Montreal has to do with the matter is not clear, except that some of its directors may be concerned in the cotton company. Why the bank or the "combine" should desire to injure St. John is not easy of comprehension. Nor do we even suppose that the agents of the Colored Cotton Company had any ill-will at the Parks' mill *per se*. But the larger concern, being a "combine," naturally used combine methods. If any manufacturer outside its gates dared to produce goods which were preferred to its own, *squeeze him* by putting down the price and freezing him out of the market. Such is the process justified by the enlightened selfishness which monopolies now-a-days display. The process is heartless and cruel, but it is not greatly different from what is done every day in other directions, where for self-preservation merchants or manufacturers resort to associations to keep up prices.

But wherever there are more importers than the country needs, some one will break the price. Similarly, where factories exist in excess of the needs of the market, prices are only to be maintained by artificial means. It is therefore not spite at St. John, or at the Messrs. Parks, in our opinion, that caused the "combine" to come down so savagely upon the concern which ventured to produce a cheaper flannelette than theirs. But it was the instinct of self-preservation, the necessity that the combine's plans and profits should be maintained. Monopoly is an ugly thing at the best, and when it puts its heavy foot upon a rival the act is likely to create sympathy for the weaker party.

BANKING RETURN.

We give below a condensation of the figures of the statement of Canadian banks for the month of October. It is compared with the bank statement for the previous month, and shows capital, reserve, assets and liabilities, average holdings of specie and Dominion notes, &c.

CANADIAN BANK STATEMENT.

LIABILITIES.

	October, 1896.	September, 1896.
Capital authorized	$72,958,685	$ 72,958,685
Capital paid up	61,725,369	61,725,269
Reserve Funds	26,373,799	26,373,799
Notes in circulation	$35,955,150	$32,652,176
Dominion and Provincial Government deposits	5,567,285	7,503,960
Public deposits on demand	67,312,835	65,827,150
Public deposits after notice	125,525,470	123,436,216
Bank loans or deposits from other banks secured	5,000	5,000
Bank loans or deposits from other banks unsecured	2,822,902	2,858,277
Due other banks in Canada in daily balances	83,926	76,980
Due other banks in foreign countries	277,768	257,759
Due other banks in Great Britain	2,014,501	1,939,597
Other liabilities	413,114	253,409
Total liabilities	$239,978,040	$234,810,603