

poly; and there are so many interests to be reconciled that permanent monopoly is, happily for the community, impossible. It is difficult to see what object any line can have, where there are six competitors, in carrying freight or passengers below cost. To weaken yourself is not the way to injure your rival. A war of extermination one can understand; this is the game of monopoly; but here extermination is out of the question, and nothing is gained by carrying freight below a paying figure that can at all balance the loss. Such a game is sheer stupidity.

It is said that the Grand Trunk did not lose by carrying passengers from Boston to Chicago at the extremely low rate of five dollars each; since the extra passengers attracted merely filled its regular trains, and did not cause the expense of additional trains. It is further stated that competing lines could not carry at this low rate, without a loss, as their trains were full at higher figures. If this be correct, the motive for the low rate of the Grand Trunk is intelligible and the policy defensible on commercial grounds. But the case is altogether exceptional; the lucky accident is one which, in the nature of things, cannot often happen. But if war, in this shape, is profitable, it is the reverse when it leads to an unreasonable lowering of freight rates.

#### A HEAVY FAILURE.

##### NO INSOLVENT LAW.

The failure of Messrs. Moir, Son & Co., Halifax, announced last week, caused general regret in that city, and much sympathy was expressed towards the firm, who have been classed amongst the most enterprising and industrious of citizens. Creditors went to the meeting called by the firm with no harsh feelings towards them, but prepared to give liberal terms of settlement, believing their suspension to be the outcome of the heavy loss made by the failure of E. Morrison & Co., two years ago and that the business was able to pay its liabilities in time. When the true condition of affairs became known and an offer of 40 cents on the dollar, spread over two years and a half, had been made, creditors felt as if a wet blanket had been thrown over them, and they were unable for a time to take in the situation. Very little was said then; a committee was appointed to examine the affairs of the concern, and it was not until the meeting had dispersed that tongues became loosened and opinions freely expressed. The disappointment was very great indeed, especially as the difficulties in the way of a settlement became more apparent.

The direct liability of the firm amounts to \$115,000 allowing about \$2,000 for probable loss on discounted paper. The only assets available for present use are merchantable stock, which probably does not exceed \$25,000 or \$30,000, and book debts \$26,000. The mill and elevator at Bedford and the extensive warehouses and bakery in the city represent an outlay of \$185,000, mortgaged for less than \$40,000; and it is in this direction creditors must

look for ultimate payment of a large part of their claims. Again the need of a bankrupt law becomes painfully evident. Creditors are numerous in this estate; some of them urge one thing, some another; they are unanimous in nothing except their determination not to accept the offered settlement, and they are not all reasonable men, inclined to take a calm view of all the circumstances and to act with due regard to the general interests. Hence, in the absence of a law by which unreasonable persons may be compelled to fall in with the majority, there is great danger that prudent counsels will not prevail and that the insolvents will be driven into a position antagonistic to the true interests of the creditors and themselves.

#### THE MARITIME BANK.

There is a proposal to continue the business of the Maritime Bank, notwithstanding the resolution passed a year ago to wind up its affairs without delay. Some twenty-seven shareholding persons or firms in St. John and elsewhere, the list embracing some very well known business men, have signed a requisition for a general meeting of stockholders on the 26th proximo, called for the purpose of repealing the resolutions that new business should not be undertaken, and that the bank should be closed; to consider the propriety of prosecuting an ordinary banking business and to give authority to make application, if considered necessary, for a reduction of the capital stock. It is evident, from the appearance of the signatures of six out of seven of the directors on the requisition, that the present management consider that, since the Bank of Montreal interest has been sold out to parties who will probably not oppose the resumption of banking business, and since the assets have been brought, during the past year, into much more realizable shape, it is desirable not to allow the charter of the bank to become extinct. It is argued that, in the early years of the Maritime Bank, there seemed ample room for it as a local institution, and that the money market, the crops, and the favorable outlook generally, indicate the present as a favorable time for its resuscitation, under proper management. If new capital can be obtained, to a sufficient amount, and the present board can be retained, there is at least the hope that no such record of fantastic folly as that indulged in by the previous management would be permitted. But progress must in any case be slow. It will require unusual circumspection to secure a good class of business and reject the bad, which always offers in such cases, and it depends somewhat upon the appreciation or realization of the assets now held, whether a new and successful bank can be built upon the ruins of the old.

#### TO CORRESPONDENTS.

G. C. G., STRATHROY, writes: "The Victoria Mutual Fire Ins. Co. of Hamilton took a three year risk in Watford, June 3rd, 1878, undertaking plan; on the 28th of July last, they mailed a

notice of assessment for \$6.85, dated back to 3rd of June, 1881. I want to ask if they can legally do that? And if so, how much longer can they continue assessments dating them back?" [In reply, we would refer our correspondent to the decision given in March, 1880, by Vice-Chancellor Proudfoot, in the matter of Duff vs. the Canadian Mutual Fire Ins. Co. That decision holds that "makers of notes in the commercial branch, (the company had three branches) though their policies are cancelled, continue liable for assessments for losses up to the date of cancellation, while the notes remain in the hands of the company." It thus appears that if the fire, for which the assessment mentioned above was made, occurred before the 3rd June, G. C. G. is liable for the amount. It is the date of the fire, and not that of the levy made, which governs.

—The proposed transfer of the Montreal Telegraph Company's lines and property to the North-Western Telegraph Company, under a ninety-nine years' lease, was on Wednesday last voted upon at the adjourned meeting of the shareholders of the former. The stock vote showed that only 1,081 shares were opposed to the transfer, while 23,204 were in its favor. The injunctions having been withdrawn, the agreement was signed by Sir Hugh Allan on the part of his company, and Mr. Erastus Wiman took formal possession of the property as President of the Great North-Western. It remains to be seen what steps will be taken to put the whole amalgamated system of lines in the most effective shape. This much may, we assume, be relied upon, that the 25 cent rate for messages of ten words, which, it is claimed, is as low as the service can be satisfactorily done for, and the press rate of 25 cents for 100 words, will be carried out. We believe it to be the intention of the new company to improve the character of the service as far as possible by providing for a more direct transmission of messages between all important points in Canada and the cities in the neighboring States. There is reason to expect, too, that the company will build, as soon as possible, many new extensions which have been applied for during several years past, but which the Canadian lines now amalgamated have been unable to take up, owing to their crippled condition. A considerable portion of the lines will likely have to be rebuilt very shortly. The fact that Mr. Wiman is at the head of the North-western Company indicates that energy and spirit will characterize its management.

COUNTRY BANKER.—We have not space to adopt your suggestion. The plan we are now pursuing is to give extracts from the principal papers read.

S. F., ST. CATHARINES.—The figures were taken from the *Railroad Gazette*, the *New York Public* and from the tables of through railways. The gathering of the managers of the trunk lines was held on the 10th inst., when a 20 cent rate was agreed to. The only representative of the Vanderbilt roads present was Mr. Ledyard, of the Michigan Central; the Grand Trunk was not represented.