

The aggregate increase for forty-four weeks to 30th ult., was \$1,535,201. A million and a half dollars gain over last year: which is at the rate of \$35,000 per week. And the increase is not on freight alone, for while the gain in freight for the week in question was \$15,000 on \$155,000; that on passengers, mails and express, was \$9,600 on \$65,000, or at the rate of 14.7 per cent. gain on passenger traffic as compared with less than 10 per cent. on freight and live stock. No wonder, therefore, that on the publication of the report in Britain, Grand Trunk stock rose  $\frac{1}{2}$ : first preference bonds,  $\frac{1}{4}$ ; third  $\frac{1}{4}$ , and perpetual debentures  $\frac{1}{4}$ .

#### GREAT WESTERN RAILWAY.

The report for the half year ended 31st July last, submitted to the shareholders of the Great Western Railway of Canada, in London, on the 20th ultimo, was carried by a majority of nearly two to one over an amendment deferring its adoption till the arrangement with the Wabash line was submitted. The statement shows an increase of almost 20 per cent. in the gross receipts of the railway lines proper, while the various leased lines exhibit an improvement in their traffic, equal to 11 per cent. on the Wellington, Grey & Bruce, 9 per cent. on the London, Huron & Bruce, and 20 per cent. on the Brantford & Port Burwell roads. The general improvement in Canadian business was instanced by the Chairman as having increased the quantity of goods carried, and doubled the excursion business of the road. The exodus from other provinces to Manitoba created business for the road; while the emigration traffic from Britain, whether it went to fill the vacancies in Ontario, occasioned by the movement westward, or gave employment to the Great Western in carrying transatlantic passengers and their goods to the Northwestern States, had a material effect upon its receipts.

The gross traffic receipts for the half year were £137,000, an increase of £72,000, or 19 $\frac{1}{2}$  per cent. over the corresponding period of the previous year. Deducting the working expenses, which were £24,258 greater, the profit of working was £136,000, as compared with £80,000 in the first half year of 1879. Deducting interest on bonds and other net revenue charges, there is apparent, instead of the deficit shown last year, a surplus of £34,849. To this the Chairman says should be added £9,244 received by the Company as dividend on the Detroit, Grand Haven & Milwaukee shares. Out of this sum of £44,093 is declared a dividend of two shillings per share of £20 10s. "the very first dividend," says Col. Grey, "declared by this Company in the first half of any year since 1873." "In former half-years," continued the speaker, "we have never succeeded in earning interest on our bonds. This half-year we have not only earned the interest on the bonds, but we have paid the preference shareholders in full, and have a small balance over to the good, out of which we pay a small dividend on the ordinary stock. It is a small dividend, but what appears to me to be better still is, that we start upon the good half year untrammelled by those arrears which we have always had hitherto to wipe out in the good season."

£140,000, or twelve per cent. more than the previous half yearly period of 1879 was received from passengers. It appears from the official statement that passenger receipts represent one-third of the entire earnings of the Great Western. Of these passengers, two thirds, measured by amount of fares, are local patrons, and only one

third "through" travellers. The number carried was 620,000, or about 3,900 per day, which would indicate that not more than 207,000, or say 1,300 per day were through passengers. The increased mileage, however, is equal to 21 per cent. which modifies the apparent improvement of 12 per cent. in this particular. The local business has produced an increase of 8 $\frac{1}{2}$  per cent. in money, and 7 $\frac{1}{2}$  per cent. in the number of travelers, whereas in the through traffic there has been an increase of 5 per cent. only in money, and 11 per cent. in numbers carried. The comparison, therefore," says the President, "is very much in favor of the local business. I think this is a very material point." So, we feel sure, will our readers. It emphasizes strongly what has been said in these columns about the importance of cultivating local traffic.

Freight traffic has yielded an increase of 26 per cent. The tons carried were just about equal to 1879, so that the improved rates obtained are proved by the increased revenue. The growth of the local freight business is indicated by 8 per cent. in tonnage, and 2 $\frac{1}{2}$  per cent. in money. Coal and other low class freight account for much of this. The live stock local business is stated to have increased 25 per cent. in money, and 18 per cent. in weight; the through business has increased no less than 250 per cent. in money, and 133 per cent. in weight.

The increase in working expenses is excused by the chairman as arising from increased cost of materials and labor, the advance in mechanics' wages, and the enhanced price of coal. The cost of stores (oil &c.) is stated to have been, during Mr. Broughton's management, less than half the amount per engine mile, than during previous years. The loss on working the leased lines amounts to £25,000, against £11,000. But the increased loss is only apparent. If we deduct the credits to the revenue funds, you will see there has been an improvement upon the corresponding half year. And as I have said before, although there is this loss on these leased lines, yet they all bring grist to the parent mill.

**SALE OF GOOD-WILL.**—Has a merchant or a manufacturer, who has sold out the good-will of his business, any right to enter upon the same business afresh? And if he has this right, is he subject to any restrictions in the exercise of it? These are important points in commercial law, and their decision is of interest to the trading community generally. Subjoined is a sketch of a case recently decided by the British Court of Appeal: The two parties to the controversy had been partners in the iron business at Bradford. About a year ago one sold to the other the stock in trade, together with the good will of the business, and agreed not to carry on the iron business for ten years within ten miles of Bradford except at Leeds. Subsequently the retiring partner under a new firm name, set up in the same business at Leeds, and began to solicit the patronage of the customers of the old Bradford firm. Thereupon the Master of the Rolls granted an injunction, restraining the defendant not only from trying to get any customer from the old firm, but also from dealing with such customer in case the latter came unsolicited. In a similar case which came before him a short time previously the Master of the Rolls had taken the same view of the law. "There is authority for saying," he then remarked, "that a man who has sold the good will of his business must not solicit the old customers to deal with him; but I go further and say that he must not deal with the old customers." The Court of Appeal affirms in part and overrules in part the law as laid down by the Master of the Rolls. It holds in the case first cited above that the retiring partner was barred

from making any solicitation or active efforts for the patronage of the old firm customers, but that he had a right to deal with them in case they should come to him voluntarily. In a suit decided some years ago Lord Romilly, then Master of the Rolls, held that a tradesman who had sold the good will of his business was justified in advertising generally his new enterprise, but that he was not entitled to make any special or direct appeals to his former customers. This decision is in harmony with the judgment just rendered by the Court of Appeal, which, for some time at least, will represent the English law on this important point.

#### TO CORRESPONDENTS.

W. K., WROXETER.—It is not to be had here in the bookstores; write to the Toronto News Co., or to C. C. Hine, Insurance publisher, New York.

F. C., LINDSAY.—The operations of the new Credit Foncier are to be extended to Ontario.

J. C., MONTREAL.—One at a time. The writer was by no means a tyro; We shall return to the subject next week.

#### Correspondence.

##### BANK OF OTTAWA VS. CANADA GUARANTEE COMPANY.

To the Editor of the Monetary Times.

SIR,—At a recent meeting of the Board of Directors of this bank I brought under their notice a letter from Mr. Edward Rawlings which appeared under above heading in your issue of 15th ult., and I was then instructed by them to reply to the various matters alluded to therein, but the pressure of other and more important business has prevented me from doing so until now.

The delay in proceeding against the Canada Guarantee Company is accounted for by the fact that negotiations for a settlement by arbitration had been opened by that company, and after pending for some time, were abandoned by them.

The paragraphs which have recently appeared in several newspapers relative to the suit of the Bank against the Guarantee Company, were in no instance instigated, either directly or indirectly—by the directors of this bank or by any one of them,—as Mr. Rawlings insinuates. The assertion which is repeatedly made by Mr. Rawlings in his letter, that Mr. Robertson was urged by some of the directors to leave Canada, is utterly false. The departure of that gentleman for Great Britain (not New York, as Mr. Rawlings states), was doubtless hastened by the knowledge that the directors were on the eve of discovering more serious misconduct on his part, than they had previously been aware of.

Your obedt. servt.,

GEO. BURN,  
Cashier.

Bank of Ottawa,  
Ottawa, 6th Nov. 1880.

#### OIL MATTERS IN PETROLIA.

PETROLIA, November 10th 1880.

Crude market continues quiet with few transactions. The current price may be considered as \$2.05 on board. Neither buyers nor sellers appear anxious to trade.

Refined is sustained at 25c. here, equal to 25 $\frac{1}{2}$  in London. There is a likelihood that during the busy season this price will be maintained, the American market being firm. The demand here is good; all other products of Petroleum