

Act of Parliament, or the North-west angle of the Lake of the Woods, there would have been no controversy. The arbitrators were appointed "to determine the boundary," and they were not prohibited, where no precise boundaries were declared, from finding what, in their judgment were equitable boundaries. Mr. McDougall's lecture will, we hope, be published at length, and we feel assured that it will fully sustain the award of the arbitrators. Our readers have from time to time been presented with all the leading points in the controversy, and we should not have adverted to the subject, especially at a time when there are some hopes of an amicable adjustment of the dispute, had not Mr. McDougall contributed his valuable lecture, and had not his leading arguments been so completely misrepresented as they have been. The most extraordinary feature of the *Gazette's* report is its heading, "he favours the award of the arbitrators," while he is made to condemn it in all important particulars. We infer that the *Globe's* report is correct in the main, as it is consistent.

THE EXCHANGE BANK MANAGEMENT.

The managing president of the Exchange Bank is sojourning in New York, and the assets are likely to suffer some diminution in realization wanting the information as to possible complicated accounts, which he is most competent to give. What can it avail to the shareholders to punish him, admitting that it can be legally done? Even if he only saved the shareholders from the threatened double liabilities, it were surely better to have his assistance. That the man has been guilty of the gravest mistakes no one will deny; but, on the other hand, no one will gainsay that he has done more injury to himself than to any of his fellow shareholders. He has shown himself not only unworthy of the business reputation he generally enjoyed, but, by his flight across the lines, he has given color to the strong suspicion that his own hands are not clean. It can scarcely be credited that the absent manager was without what appeared to him sufficient reasons for believing that his manipulation of the stock and his dealings with scaly customers were for the interests of the bank. To outside men of business his actions savor of utter foolishness, for we cannot join in the imputation of knavery made against him by some people. He and some of the directors were not without occasional hints, some of them published in these columns, as to the character of

some of the bank's customers, but the manager evidently had thorough confidence in his own ability to take care of such people. "I never lost anything by them," he was wont to say; and that easy and agreeable manner to all classes of customers or visitors—so favorably commented on by a director at one of the annual meetings—which invariably distinguished him, made him too accessible to wily borrowers, who took his measure more readily than he took theirs—who knew his weak points, his great anxiety to do a large business—the speculative nature which led him to look rather at high interest than at the still higher principal—who flattered his over-weening confidence in his ability to cope with the keenest customer of them all. His weak spot lay in fancying that he could spare enough time from his regular business and good customers to watch and take care of a number of doubtful ones against whom he was as one against ten. His belief in his ability to deal with men with whom scarcely a business man in the city would have any dealings on credit was something remarkable. One of these has been known to hold his note for blank amounts or his endorsement on blank notes, a reckless way of doing business that no man of common-sense, not to say banker, would dare to venture upon. "I would not give such a note to my own father," remarked a business man, commenting upon it. This practice cannot even be explained upon the theory that business men allow themselves in course of time to relax that vigilance which in early days led them along the pathway of success, because they have had no occasion to test its usefulness, who learn to look upon themselves as people guided by some overseeing Providence, like that which is said to watch over the sailor,—for these notes were given in the beginning of his career as a banker, four or five years ago. Whatever the motives, his absence under the charges against him has brought humiliation and sorrow to more than one, besides forfeiting the esteem in which he was personally held by nearly all who knew him.

As usual in cases of the kind, all sorts of exaggerated rumors are afloat. *Les absents ont toujours tort*—the absent are always in the wrong, and many of the statements should be taken *cum grano salis*. The elegant residence recently finished for Mr. Craig is claimed to have been largely built with means supplied by his wife, whose house on McGill College avenue, a present from a brother, had been sold a short time previously for about \$14,000. The new house would

probably fetch \$25,000. The whole trouble had its origin in the example of a few successful speculators upon those near enough to fancy they understood how to work with another man's brains, but the one succeeds, and the other is ruined. The recent boom in Winnipeg produced many a wreck; the boom in cotton stocks is not much less answerable.

THE MONTREAL MANUFACTURING CO.

There are many persons in this city who wish they had never heard of the "Montreal Manufacturing Co." a concern founded here in November, 1874, for the purpose, as set forth in the charter, of acquiring patents, working the same and licensing under royalties, or any other purposes which they might see fit to enter into,—the extent being unlimited, except as regards banking and insurance business. Among the subscribers were several of the most prominent men in the city, including the absent president of the Exchange Bank, with E. F. Carter, a gentleman of good connection in Boston, but better known in that city than in Montreal, and a Central Canadian who had studied law long enough to learn how to keep within the pale. The two latter were the chief promoters, and might be called respectively the Jay Gould and the Jim Fisk of the business. There never was anything paid up on the shares which numbered 280 of \$100 each; but promissory notes were given, and these were discounted at one of the banks.

The company acquired the "Globe Gas Patent," under which they lighted some of our western suburbs, the profits from which were claimed to be so great that within six months from starting, a 25 per cent dividend was declared, and the amount applied to the payment of the notes. It is alleged that the notes, or some of them at least, were given on the understanding that the makers were never to be called upon to pay them, but that they were to be retired by the two leading spirits through means of the expected profits. But the "Globe Gas" has gone the way of the myriads that encumber the records of the patent offices.

The company next acquired the "Triumph Fire Extinguisher" patent at a considerable price. Many of these extinguishing machines were made at the company's expense, but of the proceeds of the sales there appears to be no record; many of them were claimed and held as the personal property of the absent president referred to, and others were freely employed by Carter *et al.* to pay off the debts of certain members. It is even stated that some of them went to extinguish the gambling debt of a royal faro-player on St. Lawrence Main street.

The next patent acquired was one for the manufacture of oleomargarine. This "Snet Butter Co." had a factory in the West-end, the site of the old Glass Works, and in order to bring the merits of the product into due prominence, Potter of the City Club was asked to give it to his chef to be employed in the preparation of pastry and other articles of food;