

merchant, and what is technically known as "customers' paper," is clear and well-defined. Every one knows that it is vastly more easy to obtain money on the latter than the former, for the simple reason that, as it represents goods sold and delivered, there is a far greater certainty of it being paid at maturity. An importing merchant then, in a time of pressure, knowing that he could get customers' paper discounted when he could get money in no other way, may sometimes yield to the temptation to get the names of his customers to bills which do not represent goods sold at all. Even this transaction, undesirable as it is, in a banking point of view, would be free from legal taint if the merchant honestly explained the case to the banker, and put it before him on its merits. If he said—my sales are slow, but payments are coming on. I have no bills for goods sold, but my customer A and my customer B, out of consideration for me, have each accepted a bill, which of course they are able to pay if I do not. Will you lend me the money on their security? This is an honest and straightforward method of negotiation.

But the opposite course is not straightforward. If such bills are drawn for odd amounts, for sums that look like the amount of invoices, if drawn at the time for which business bills are generally drawn, and on men who are known to be in the habit of dealing with the house, and being thus "got up" in business form to look like business bills, are offered for discount to a banker, as *customers' paper*, then there is undoubtedly a false pretence. No observations need to be made when the bills are offered. Nothing need be said about the bills. The very fact of imitation and concealment is sufficient. The transaction is fraudulent, and the penalty of the Statute against obtaining money under false pretences has undoubtedly been incurred.

In the former case, where drafts are drawn on an exporting house, we have no doubt that the same penalty would lie, after the produce had disappeared, even if no mark or memoranda were made on the bills. Let bills be passed off as different from what they actually are, and there is all the false pretence that the law recognises as a misdemeanor. Our law on the subject is the same as the law of England. Whatever is wrong there is wrong here. Forged bills are comparatively rare, but it should be understood that it is not the uttering of forged paper alone that is liable to be punished.

TRADE IN HALIFAX.—Although trade in Halifax is very dull in all departments there is an improved feeling amongst business men. The impression prevails that most of the weak mercantile houses have already come to grief, and the worst is known. Importations will be small, seeing that the number of traders has been so largely reduced by the extraordinary number of assignments made throughout the Province during the past six months. The great majority of those who have assigned are not likely to resume business, and, considering the bitter experience of wholesale merchants, we may safely assume that men without means or practical knowledge of trade will find it much more difficult to get credit hereafter. The curse of trade here, as in the other Provinces of the Dominion, has been, and still is, the disproportionately large number of traders compared with the population. The city has of late been flooded with rumours affecting the standing of several prominent business houses, in some cases with perhaps a slight foundation of truth. Of course this causes much annoyance to those whose credit is thus unwarrantably trifled with, as well as distrust in the mercantile community generally. Importers of dry goods have probably felt more severely the depression in trade than those in other branches, for their importations in the spring were generally up to the average, while sales have been comparatively small, and payments unsatisfactory. As a consequence some good houses will be obliged to ask extension from a few of their largest creditors, which no doubt they will readily obtain. A knowledge of this has evidently led to some of the rumours that have been prevalent, but there is no reason for fear. It is simply a question of policy, whether it is not better to arrange for an extension of six months in Britain, on a basis of five or six per cent. interest, than to discount business paper here at seven or eight per cent. in three months, with the certainty of having to redeem one-half of it at maturity. In considering the probabilities of business in this Province, the immense shipping interests must be kept in view. The value of shipping is estimated at sixteen to twenty millions of dollars, and for a few years previous to 1875, profits averaged probably twenty per cent, while the average for the past nine or twelve months cannot have been over five per cent., an enormous falling off in the income of so small a Province, and sufficient of itself to account for hard times. Fortunately freights are decidedly improving, and ship-owners look forward to good returns a few months hence. It was expected that the fisheries would give a good yield, judging from the earlier catch, but from all appearances they will prove far below an average. In connection with other circumstances this is a serious matter, and mercantile men, while preparing for a severe winter, are hopeful of brightening prospects with the coming season.

NEW JOURNAL.—The first number of a new commercial paper, issued at Montreal, has

reached us. The head-line, the arrangement of the advertisements, and the styles of type used caused us at first sight to mistake it for THE MONETARY TIMES. Our journal seems to have been placed in the printer's hands with the direction to "Make something just exactly like that in every particular." Evidence of this is to be seen on every page; old quotations and dates have been taken over with a degree of fidelity that does the printer good credit. We could easily overlook the infirmity of a total absence of originality were it not for the wanton violation of the commandment: Thou shalt not steal. Had the theft been carried to its full extent, and the articles also of THE MONETARY TIMES transferred to the reading columns, we should have felt bound to express the same high approval of the literary contents that we entertain for the general get-up of the paper. We merely discharge a duty in warning purchasers of THE MONETARY TIMES that there is a base imitation of it on the market; but further than this we have no concern in the matter.

—The grain dealers of New York are making strenuous efforts to secure to themselves a large proportion of the grain trade of this country and the Western States. The Produce Exchange of that city and the railways leading thereto are in agreement to that end, and measures for the inspecting, grading and delivery of grain have been assented to by most parties concerned. With the present facilities for "handling" at that port the result of the new system will only be partial, and until new elevators, with every convenience for the classification of grades with expeditious means of shipment, are erected, the trade of Montreal and other seaboard ports have little to fear from this rivalry manifestly superior as it may seem. The accomplishment of this object however—and there is little doubt it will be accomplished in a year or two—is not without interest to ourselves.

—Mr. James Foley, of Montreal, has applied for a writ of injunction against The Canada Tanning Extract Company, of London, (England), and one of its directors in Montreal, restraining the Company from raising money on certain interests in property in the County of Nicolet, vested in the petitioner. The plaintiff alleges that in April, 1873, he sold the Company an interest, good-will, trade, and premises, in Nicolet County, on certain conditions, and that the directors are borrowing £25,000 upon their property, and issuing debentures for the amount, which, if carried into effect, will seriously depreciate the value of his stock. The petitioner prays that such a lien be not created on the immovable property, and that he may be declared sole owner of £19,000 stg. of the stock. The case was argued before Judge Beaudry, who granted the injunction, ordering that the Company create no lien, privilege, or hypothec, upon the immovable property of the Company, until otherwise ordered by the Superior Court.