

ever, and he was obliged to face the unwelcome fact, that he could not pay every one in full, he argued that he would endeavour to pay A. & B., because they had protected his last note; C. D. & Co., because that firm were co-religionists; E. F., because his bill was a trifling one; G. Brothers for the reason they were fellow townsmen, and so on, and leaving H. I. J. and the rest of the alphabet—for he is a poor trader now-a-days who cannot boast as many creditors as there are letters in the language—to share in the remnants of his estate, while he protected his friends and favorites in the way described.

Even now, in the face of the recent enactments, we find cases where traders show favoritism in the distribution of their payments. Not alone do those who are verging upon bankruptcy strive to so manage that "So-and-so shall not be let in," or, as in the case just named, to save their Quebec friends and let all outsiders suffer, but a similar spirit is sometimes shown by solvent merchants ordinarily prompt. When the pressure of the times makes these slow, and they cannot pay all their creditors promptly, it is often said, "We must remit for that importation, come what will, and ask So-and-So in Montreal to renew," or, "We cannot meet that Toronto bill, but that doesn't matter, we can impose on him; but we must keep up our payments in Montreal." Now this is favoritism, and there is injustice done somewhere. We cannot expect, of course, all merchants to divide their funds with mathematical nicety, and distribute their payments *pro rata* to a fraction of a dollar; but what we would inculcate, is a spirit of greater fairness among solvent merchants to all to whom indebtedness is owing. The insolvent who violates the spirit and the letter of the statute by unjust preference, finds penalties, more severe than words, awaiting him at the hands of the administrators of the law.

MASON VS. THE NORTHERN ASSURANCE COMPANY.

This case, arising out of the Magill fire in 1869, was tried at the Hamilton Assizes, and was decided on Tuesday last in favor of the plaintiff, the trial extending through an entire week. Six insurance companies are interested in the result of the suit, against whom the total claims made foot up to \$45,000. The case has excited much interest. Among the defendants' pleas are "arson" and a "false and fraudulent representation of amount of loss sustained by plaintiff."

It appears from the evidence that the defendants rested their case as to the former plea chiefly on the evidence of Robert Magill. But this man's evidence rested under the

cloud of a bad character, and was weakened by his accepting a money consideration for giving it. His statement was a most extraordinary one as all will remember who read the report of it, given in these columns and in the Hamilton daily papers at the time of the Assizes of last Spring. The result of the trial shows that the jury did not credit his evidence; and outside of it there was not sufficient direct testimony to fasten the crime of arson upon any one. There seems to be scarcely a shadow of doubt that the premises were fired, but by whom? And this is what the defendants failed to establish. This is usually the result to insurance companies in trials where it is essential to their success that the crime of arson must be brought home to a particular individual.

A most important point was not satisfactorily brought out—that is, the amount of stock on hand at the time of the June fire. This, it seems to have been difficult, if not impossible to get at, owing to the state of the books. They were either improperly kept or not kept at all—an ever fruitful source of mischief and fraud. Mr. Mason, the official assignee and plaintiff in the case was "much bothered" to make them out, and he "found them unreliable in certain matters." He however puts the value of the stock at the time of the fire at \$46,042. Taking this along with the statement that part of Hilton Bros. old stock was still lying around, that foolish purchases had been made of large quantities of steel, and that the insurance was \$45,000, or only one thousand dollars less than the assignee's valuation of the stock there is supplied abundant motive for incendiarism.

This fire is, therefore, clearly traceable to over-insurance. We do not say that the companies are to blame for such over-insurance; but that it existed, and that the origin of the fire may be ascribed to this cause, admits of little doubt. There is as little doubt, too, that a large percentage of the fires through the country owe their origin to the same fertile source of burnings. This is the bane of Canadian insurance; it is the rock on which profits are wrecked and hopes of dividends shattered.

It is reported to us that the Northern Assurance Company will apply for a new trial, and that the other companies have no intention of abandoning the ground they have taken against the payment of what they believe to be a fraudulent claim. It is believed that the provisions in the policies of two of the companies, forbidding the storage of powder on the premises, is a sufficient defence in their cases, irrespective of other points.

ONTARIO LEGISLATURE.

The Legislature of Ontario will assemble on the 7th proximo. This will be the last session of the first Parliament, and will be more than usually important. There promises to be a large number of private bills brought forward, not a few of which will ask for certain privileges and favors which must evoke considerable discussion; we referred a few weeks ago to some of these measures, but since that time there has been a large increase in the number of notices in the official *Gazette*, some of which are of sufficient importance to the public to call for notice at our hands.

Notwithstanding the general act for the incorporation of companies, applications for special charters continue to be numerous. The Legislature will be asked to incorporate the Virginia Tobacco Co., the Georgian Bay Timber Association, the Ontario Sugar Refining Co., and the Ontario Permanent Building and Savings' Society—all of Toronto. Charters to construct the following new railroads will be solicited: 1st. A wooden or iron railway from Oakville or Bronte on Lake Ontario, through Milton to Guelph, with power to extend to Lake Huron, and: 2nd. From the town of Brockville to the village of Westport in the township of North Crosby. The Midland, Wellington, Grey & Bruce, and Canada Central railways will apply to the "Assembled Wisdom"—the former for power to issue sufficient new bonds to redeem all outstanding bonds and securities, and an additional sum of £100,000 stg., and the two latter companies for extension of time. The Wellington, Grey and Bruce want the time for the completion of their road extended, and the Central desires the time extended during which they will be entitled to certain grants of land. Considering the views of the Premier of Ontario, as shown by his speeches in the House of Commons last session, a lively fight may be expected when the question comes before the Local House. The city of Ottawa wants an Act to enable it to construct Water Works, and the Town of Perth to allow it to aid and assist persons who will establish and maintain manufacturing establishments in that place. A rather curious notice appears from Edward, Eugene and Earnest Beaufort. These individuals want Legislative authority "to keep a saloon for selling spirituous liquors at each of the stations of the Grand Trunk Railway in the Township of Cornwall in the County of Stormont, and in the Township of Augusta in the County of Grenville." The Preference Bond-holders of the Welland Railway Co., will apply for power to wind up the affairs of the Company by the sale of the road, propellers, rolling stock,