

A Strong Reserve Better than Bonus; Shareholders of Canadian banks, insurance and industrial corporations who, in the matter of dividends, are disposed, like Oliver Twist, to ask for "more", cannot do better than read the sensible remarks of the chairman at the recent meeting of the Trust and Loan Company of Canada, represented in our city by Colonel Edye.

The addition of a bonus to the usual dividend received by shareholders, prompted one of the fortunate recipients to express a wish that the bonus was larger. Although the request for an increased distribution of profits was pleasantly made, the president and chairman, in acknowledging a vote of thanks to himself and colleagues, seized the opportunity to read a lesson, and said they were pleased to be able to pay a bonus, but that they would never fail to keep a good reserve in hand against any temporary change for the worse in the condition of the company's affairs.

Money for Mausers;

Our American neighbours, preeminent in the invention of labor saving contrivances, have with their usual ingenuity discovered a way of dealing with the Filipino which seemed to promise good results. An offer of 30 pesos (about \$15.) for every rifle in good condition surrendered by a Filipino has been made. But a cute and sceptical New Yorker points out that, as a method of reducing the fighting power of the Filipino, the scheme must prove a failure, and will only result in encouraging an illicit trade in rifles. Doubtless even one of Roosevelt's Rough Riders would rather meet a Filipino with 30 pesos concealed in his breach cloth than one armed with a Mauser rifle. Yet it certainly appears likely that such an offer as that made to the truculent patriots of the Philippine Islands is calculated to encourage their trading instincts and thus lead to undue prolongation of their fighting proclivity for the sake of the profit derived from selling rifles to the United States. It is evident that our neighbours find their little wars somewhat wearisome

Bankruptcy Laws.

What is the cause of failure to frame a just, satisfactory and comprehensive bankruptcy law for the Dominion of Canada which would be acceptable to all parties concerned in its passage. To say that the combined wisdom of parliament and people is not equal to the task of sweeping away any unreasonable opposition to the bankruptcy legislation is not calculated to increase the reputation of Canada in foreign markets. Two years ago, a committee of the two Houses of Congress in the United States succeeded where we have failed, and, despite strong opposition, agreed upon a bankruptcy bill. It was not free from crudities and imperfections; but many of these have been removed or remedied by subsequent legislation. There are some cases of fraud which the law in question will not prevent. Yet, it has enabled manufacturers and merchants to get a somewhat fairer division of the debtors' property, and it has prevented a great deal of fraud, embezzlement, and wasteful dealing with property.

However, the recent action of the Iowa Bankers' Association in regard to this two years' old law will serve to recall the oft-reiterated charge brought against some of the gentlemen interested in our own banks—that they are lukewarm in supporting insolvency legislation for the Dominion at large. The Iowa Bankers' Association has resolved that "the present Federal bankruptcy law has accomplished all that its most ardent advocates can wish, and that its further retention as a Federal statute is a menace to the business of the country, depriving many honourable business men of the credit their integrity and business ability would entitle them to."

In discussing the reasons why these Iowa bankers chafe under this Federal statute, a New York critic talks very frankly to them. After reminding them that the main desire of the advocates of the present law was to prevent the banker or wholesale merchant at a distance being defrauded by a debtor's assignment to his attorney or to the bank in his own town, the New York critic remarks:

"It is quite possible that there are merchants in Iowa who cannot get the credit from banks at home that they could if they could make preferences, or if the bank on the spot, being better able to watch the business of the debtor, had a decided advantage over the bank in New York or Boston in securing its claim. If this is what the Iowa bankers mean, we should like to have them say it frankly. We warn them that this is the precise sort of thing the national law was enacted to prevent, that, if the law is accomplishing that, it is achieving its purpose, and that a very large part of the business community does not intend to go back to the old system under which the distant creditor, unless powerful enough to exact a preference, was sacrificed to the debtor's father-in-law, or the bank in his own town."

Canadian Methods.

Canadians know more than a little of the condition of things under that "old system" by which the distant creditor was sacrificed to the debtor's wife's relations, or "the bank in his own town." Of course, the bankruptcy bills submitted to the Dominion Parliament in past years may have been faulty in construction; but surely the boards of trade and the bank managers throughout the country are willing and able to grapple with this important question, and remove the reproach to Canadian trade and commerce arising from the want of some uniform law for the Dominion. In such an important matter, further inaction on our part reflects upon the business honour and sagacity of the nation.

It is just possible that the bill introduced by Mr. Fortin two years ago was opposed for reasons somewhat similar to those imputed to the Iowa Bankers' Association. A leading banker stated at the time