Canadian Deposits and Canadian Policy-holders. Several papers have, in referring to the failure of the Massachusetts' Benefit Association, drawn attention thereto, as being likely to determine the fate of deposits made in Canada by this and similar societies. The question raised involves the reserving of such deposits for Canadian policy-holders alone, or including same in the general assets. A correspondence upon the affairs of this company between the Superintendent of Insurance and the Minister of Justice in the early part of 1897 resulted in the following expression of opinion from the latter:

"The Minister concurs in your view, as expressed in the special report, that the Canadian Mutual policy-holders, or any class of them, are not in law entitled to be treated as a separate class."

"However, this decision does not in any particular affect the deposits made by ordinary life companies transacting business in Canada, whose deposits with the Dominion Government are made exclusively for the benefit of their Canadian policy-holders.

"That the Massachusetts' Benefit, being a MUTUAL concern, should divide all its assets (including deposits in Canada made in compliance with a law having for its object the protection of Canadian policy-holders), may seem to the members of the Association resident outside of the Dominion an equitable arrangement; but we feel perfectly safe in hazarding the statement that, if deposits were lodged in the United States under similar circumstances, the interpretation of the law would effectually exclude Canadian policy-holders from sharing in the division of such deposits.

"As Ithers See Us." On Lord Mayor's Day, a very notable address was delivered by the Lord Chief Justice of England, and the subject matter thereof is receiving much attention in the United States. His reference to the prompt and comparatively inexpensive settlement of the majority of ordinary law suits, particularly trading disputes by the so-called Commercial Court, is referred to by the New York *Journal of Commerce* in terms of surprised admiration. The *Journal* states that such legal expedition is "calculated to paralyze the American bar, and that American litigants will scarcely credit" such a condition of things. The following are the paragraphs from the Chief Justice, quoted and commented upon by this leading New York exponent of commercial opinion:—

"Speaking of this division of the High Court, the Lord Chief Justice said: "I find that up to Easter of this year average time that elapsed between the entry of a cause of trial and its actual trial did not exceed four months, but, after that date and by vigorous efforts on the part of all the judges of this division, the lists have constantly been reduced in their magnitude, and from that time forward the average period between entry of trial and actual trial was about one month only." Four years ago, he added, there was established a court which, "without any statutory warrant whatever, calls itself, and justifies its title, a Commercial Court." He was glad to know "from the concurrent testimony rendered from many different directions, that that court is affording a ready, a quick and an inexpensive means of settling commercial questions, where the good sense of professional men engaged and the good sense of the litigants themselves allow them to agree on the questions which alone are in dispute, and to submit them without unnecessary delay to the presiding judge."

But the vigorous remarks of the Chief Justice in the same address upon the recently exposed evils of company promoting, and the losses sustained by investors in Great Britain, are eagerly pounced upon, and paraded in the same article for the purpose of telling Englishmen that:

"In view of these figures it would seem that British complaints of American commercial honor, American incorporation laws and the results of American investments ought to be expressed in very gentle tones, for, aside from the losses mentioned by the Chief Justice, there are the enormous losses in companies, little or no better than these, but which have not been wound up in the courts."

The New York Journal then reviews the Chief Justice's references to the evils of company promoting. Perusal of adverse comments upon our conduct enables us to see ourselves *"as ithers see us,"* and this reminder that occasional cases of commercial immorality are not peculiar to any one country will be accepted in good part by new made friends on both sides of the Atlantic. The Journal says of the Chief Justice's remarks upon company promoting:

"He made little reference to the disclosures of Mr. Hooley regarding the purchasability of directors, but his allusion to directors in the interest of, and in the pay of, the promoter was sufficient for the purpose. Over-capitalization he mentioned first as almost certain to lead to disaster. The purpose of over-capitalization he did not pause to explain, but it is plainly that the promoters may make from the sale of shares before the collapse comes a profit that they have no expectation of getting in the shape of dividends. Directors are often selected merely because it is supposed that their names or titles will attract the investing public. Among illustrations of gross mismanagement and fraud he mentioned the sale of an alleged property on the West Coast of Africa for £48,000 when there was no property in existence at all, but after the pretended sale had been effected an agent was sent to Africa who bought for £140 from a negro chief a piece of property that corresponded approximately to the description in the prospectus. In another instance a business that was actually bought for £637 was sold to the public which paid £76,650. In other cases directors who are the tools of the promoter allot shares when there has been an insufficient subscription and issue debentures to provide capital for operations.

"His Lordship urged that there should be legislation compelling directors to disclose their real interests in the enterprise, so that if they represent the promoter instead of the shareholders the fact may be known. As to the extent of this fraudulent company promoting, he said that the court records showed that in seven years the losses in companies compulsorily wound up had been forty million dollars to creditors and a hundred million dollars to shareholders."

'Tis a melancholy story enough. At the same time, it becomes a matter for rejoicing that the business atmosphere has been purified by the exposure and removal of such rottenness in the chief city of the world.