

THE GRAND TRUNK RAILWAY.

THAT "misfortunes never come singly" is a proverb grown trite, from its truth. Its illustrations are found on every side, in the experience of every day life, in the career of every business man, in the history of every undertaking. Sometimes everything appears to go wrong; almost every circumstance that occurs is laden with some evil result; every messenger has bad news; every day its calamity. It is seasons like this that test friends and foes alike; that develop a man's character, and exhibit his ability.

Such a period seems to have been reached by the Grand Trunk Railway. If Mr. Brydges ever needed force and faith, and we believe he lacks neither, it is now. The misfortunes of the past three months are enough to discourage any ordinary man placed in his position. Not only have events of a most influential character been crowded into a short period; but they have been brought about by causes so diverse and so foreign from the usual course, as to require very much more than the usual equanimity to meet them.

The establishment of the passport regulations has largely reduced the earnings of the road. Travel between the United States and Canada is practically abolished, and the large number of persons who formerly went through Canada, from one part of the States to the other, are now compelled to take other and more circuitous routes. Except the actual breaking out of hostilities, nothing more serious could have occurred between the two countries, so far as it affects the Railways. The continuance of these regulations for so long a period will unsettle the usual course of travel; and it will take some time, even after passports are no longer required, to regain the large traffic that has thus been lost.

The weather throughout the present winter has been particularly unfavorable to railway operations. Not only has snow in unusual quantities continuously fallen; but, without a thaw or rain, it has never been attached to the ground, and, like dust, has been the sport of every wind. The consequence has been that the track, in exposed places and deep cuts, has no sooner been cleared from one drift, than it has again been covered with another. A staff more than three times the usual size, with appliances far excelling any previous year, have been constantly employed in keeping the track clear, but it has frequently been impossible to accomplish it, and the wonder is that so much has been done. Then again, not only has the drifting and unusual quantity of snow caused trouble, but the frosts have been unusually severe, and the damage to the track and the rolling stock has been constant. In a single day, a dozen engines may have been crippled; in a single cold night, no one knows how many rails may have been injured. Every precaution that could be adopted, we believe, has been taken, and yet accidents have been numerous, some of them most wonderful escapes, others attended with fatal consequences, and all important to the road. It is said that forty locomotives are at present disabled in the Montreal repairing shops, and, we presume, an equal number are in the same condition at other points of the road. The destruction of car wheels and freight cars has been large, and the severity of the season on the whole rolling stock will be understood when it is stated, that the damage to the end of February, exceeds that of any two previous winters to the end of March. The consequence has been that not only have accidents occurred, and delays been occasioned; but it has been absolutely impossible to get anything like the ordinary amount of traffic carried. Notwithstanding the movement of very little through freight, it has been impossible to supply the local demand for cars, and the road is a large loser by its inability to meet the requirements along its line. Thus, not only from diminished passenger receipts from the United States, but from local sources, has the revenue suffered, while the increased expense incident to such difficulties have brought about a condition of finances most unexpected and embarrassing.

The employees along the road have had to wait for their pay; the amount due them is still considerable, and every one knows the result. Work half done, duties neglected, and a general demoralization of the service, is sure to follow only partially paid servants: who, as creditors of the Company, hold it under a certain obligation, which, whether fancied or real, frequently takes the place in the mind of the man previously anxious to merit confidence by good behavior. It must be borne in mind that when Mr. Brydges assumed the charge of the road, it was a bankrupt institution, but by his management, notwith-

standing a great many difficulties, current obligations have been met, old claims have been liquidated, and a large amount spent upon the improvement of the road. With all this accomplished under so many disadvantages, is it surprising that a season so full of misfortunes, with such a combination of unfavorable circumstances, should result in financial embarrassments of even a more grave character than have yet been apparent?

Following all this has been a succession of accidents of more or less importance, frequently the result of circumstances which could not be provided against, and altogether beyond the control of the management. The condition of the track and the stock has been, as before stated, largely affected by the weather, and these casualties have, no doubt, in no small degree, been the result.

It will be thus seen that, in almost every respect, the experience of this great undertaking during the past few months has been unfortunate. We have referred to the matter because we see a very general spirit of condemnation against the road and its managers, and because advantage is taken of these misfortunes to influence public opinion against it. We are not the apologists for the Grand Trunk authorities; we disapprove strongly of their iniquitous and suicidal policy of carrying Through Freight at losing rates, and charging rates on Local Freight to make up the loss. Nothing can be more unjust to Canadian farmers and grain dealers, that they should be made to pay for the losses on the movement of Western States produce to enter into competition with their own. We have no patience with the system that denies our own people the facilities of transport for their grain, while these facilities are employed in a foreign and profitless business. We also condemn strongly the discrimination in the freight tariff against certain points along the line of road; and whether it favors Montreal or not, such a policy is unjust, and unwise as it is unjust.

But, strongly as we are opposed to certain portions of Mr. Brydges' policy, we certainly think it most unfair and injudicious to make him answerable for all the disadvantages under which the line is at present laboring. Few men—we question if any other man in the country—could have accomplished all that he has performed since the road has been placed under his charge. From chaos he called comparative order; from bankruptcy he created not only good credit, but a profit to those for whom profit seemed impossible. Up to the commencement of the present winter, the condition of the road, the regularity of the trains, and the efficiency of the public service had never before been equalled; and, considering all the disadvantages under which the undertaking labored, we think that, so far as the past is concerned, the country owes Mr. Brydges a debt which it seems too slow to appreciate.

The tone adopted by many of the newspapers, and re-echoed by a number of members of Parliament, would lead a stranger to believe that Mr. Brydges was a most dangerous man—that he had designs of the most nefarious character, and that advantage should be taken of every circumstance to thwart and oppose him. We believe this to be most unjust. Questions of public policy should be discussed and decided upon their merits. Unmeasured abuse of any man—blind prejudices for or against any undertaking—are indications of poor argument and a weak mind. To say the least, no good result can follow the course which attributes to design or neglect every misfortune that occurs, and studiously avoids the mention of any favorable feature.

Foreign Debts.

A meeting of representatives of English firms, and of a number of Montreal merchants, was held in this city last Saturday, for the purpose of considering the decision which has lately been arrived at by the Court of Appeal for Lower Canada in *re Lumley*, as reported in these columns. It will be remembered that the point decided was that a British creditor has no right to arrest his debtor resident in Lower Canada, even if he is about to leave the Province with intent to defraud his creditors. The ground of this decision was, the Statute provides that no such arrest can take place on a debt incurred in a "foreign" country; and it was ruled that England should be deemed, in the eye of the law, a "foreign" country. The meeting was large and influential, and after it had been resolved that some action was necessary to procure an amendment to the law, a committee was appointed to take charge of the matter, and a draft of an address to Parliament submitted, which will at once be circulated for signatures.

THE NEW DUTIES.

THE supposition that an addition was likely to be made to either the Excise or Customs duties during the present Session of Parliament, has created not a little excitement in various departments of trade. The information as to the intentions of the Finance Minister has been, so far as we have ascertained, of an exceedingly vague and indefinite character, hardly sufficient to lead to much speculation, but the fear of increased imposts has resulted in the removal from bond of a large amount of property. The distillers especially have been making every preparation; and we know of two firms who, within the last ten days, have paid into the Government over \$100,000. We should not be surprised that between spirits and tobacco, the Government have realized half a million of dollars, while the payments of duties in one day alone at the Custom House at this point have been over \$200,000.

With regard to the imposition of new duties, we think, notwithstanding the great need for increased revenue, that as Parliament is likely to adjourn very shortly, and an extra session be called in the Autumn any amendment to Tariff will be postponed until then. The heavy payments that have already been made into the Treasury,—in the fear of new duties,—will probably create a large gain in the revenue in the first quarter of the year, as compared with the same period last year; and this with the general disinclination to impose new burdens before they are actually necessary, will, we believe, prevent action during the present session. By the time the Autumn session commences, the extent of the deficiency in the revenue will be known, the prospects of future importations defined, and the road clear for legislation on the subject.

COMMERCIAL LAW.

THE NEW INSOLVENT ACT.

Question.—In cases where prompt realization of assets is evidently for the interest of the estate during the first two months after assignment, is the assignee to be governed solely by the directions of the creditors, or has he separate discretionary power?

Answer.—While very large control over the assignee is given to creditors by the Act, it does not seem to be intended that all discretionary power should be removed from him. It would seem that he might proceed to realize the assets of the estate, where delay would be prejudicial, without any detailed instructions from the creditors; although it would always be advisable for the assignee to convene a meeting under such circumstances as soon as possible. Indeed such a case is to some extent provided for by this Act, for the assignee is directed how and when to deposit all moneys received by him "until he receives directions from the creditors."

Question.—When a composition is proposed by the insolvent immediately after the appointment of an assignee, and especially where the Act has been resorted to by the bankrupt to facilitate a private settlement, is it the duty of the assignee to prepare statements and valuations of the assets in his possession (irrespective of the statements submitted under oath by the insolvent), for the information and guidance of the creditors in respect to the proposed composition? Or is it competent for assignee to decline to do so, on the ground of it not being required by the Act?

Answer.—It would be very unwise for an assignee to refuse to prepare any statements or valuations desired by the creditors, as he is subject to all their orders and directions not contrary to law; and he is also subject to the summary jurisdiction of the judge, who may enforce the performance of such directions, under penalty of imprisonment.

Question.—In ranking of claims on an estate, does the obligation to value securities extend to the holders of notes made or endorsed by the insolvent in respect of the other obligants on the paper; or does the term "securities" apply only to separate documents strictly collateral?

Answer.—The term "securities" in the clause to which reference is made, only includes a collateral security taken from the insolvent himself or from his estate, and the holder of the insolvent's paper is not in this position. He is under no obligation to value the other names, but he may rank upon the estate for the full amount due upon the paper; yet the moment the debt is paid by any other prior endorser, the holder would cease to rank.