

tion buildings. The increase in the year's appropriations is \$144,316; and it embraces over twenty items, besides an undetailed amount of \$25,000 under the head of miscellaneous. Altogether, as Alderman Turner showed, the council had to provide \$314,863 more than last year, as the estimates stood when presented to the council. He suggested, however, that some of the committees might possibly see their way to make some reductions. This sum of \$314,863, in the language of that gentleman, "represents almost dollar for dollar the increase of the rate this year over that of last year."

Here, then, we have the secret of the abnormally high rate of taxation for 1878. The council has certainly been unreasonably thwarted in the desire to keep down the rate of taxation. It was the object of Alderman Turner to include \$294,730 in the proposed consolidation, which would have prevented the rate rising above 20 mills in the dollar. This would have included \$100,000 for exhibition buildings; \$46,700 of the five year loan maturing, and \$70,000 in connection with the public debt.

Alderman Turner complained bitterly of the apathy shown by the great body of her citizens in regard to the financial affairs of the city; evidenced by the fact that only about 15 per cent. of those entitled to vote on the exhibition by-law took the trouble to do so. There can be no doubt that the well-meant efforts of the Property-Owners' Association were injudicious, and have tended largely to swell the year's rate of taxation. The votes on the by-laws have brought this fact into bold relief—that the property holders were able, without receiving a dollar less rent, greatly to increase the amount payable by the tax-payers, their tenants. The exertion of that power, in the conflict of interests, was, we venture to say, injudicious, and the victory obtained may, we fear, prove to have been dearly bought; because if the ratepayers insist on being heard in such cases, they will be numerous enough to make their will prevail. One good result will probably come out of this high rate of taxation; it will lead to a strong desire for the consolidation of the city debt, though that project could have been carried out to better advantage if the rate of taxation had been kept down, as Alderman Turner shows it might have been, to 20 mills in the dollar.

—Arrangements are reported to have been made for the division of Western traffic passing through Detroit and other points east of the connection east and north of Toledo, between the Great Western and the Canada Southern railways. The ar-

range ment was made at a meeting of railway magnates, Tom Scott acting as arbitrator, at Saratoga. Of the through passenger traffic, 60 per cent is to go to the Great Western, and 40 to the Canada Southern; while of through freight, 55 is to go to the former, and 45 to the latter. After six months, the arrangement may be terminated by a three months' notice. Hitherto, the Great Western has had 75 per cent. of this traffic. How far an increase of rates may compensate for this loss of traffic remains to be seen. This arrangement will fare better than most others of the same kind, if it be carried out in good faith.

PENAL CLAUSES OF THE INSOLVENT ACT.

MCMASTER vs. KING.—In March last, we had occasion to refer to the decision of the Court of Queen's Bench in this case. The action is one by Messrs. A. R. McMaster & Bro., of this city, against an insolvent, charging him with having obtained goods from them on credit after he knew that he was insolvent, and upon the strength of a false statement of his affairs. The suit is for the value of the goods, charging the defendant with this fraud with a view to his imprisonment, under Section 136 of the Insolvent Act of 1875. It appears that the defendant made a compromise with his creditors, getting his deed of composition executed by the requisite majority in number and value, not, however, including the plaintiffs, who refused to sign. As a defence to this action it is claimed that the plaintiffs having proved their claim against the estate in the ordinary way, and having accepted their composition notes, one of which had been paid before the action was brought, are bound by the terms of the deed as fully as if they had been parties to it, and are precluded from denying its legality or setting up the alleged fraud.

The legality of this defence was first argued before Mr. Justice Wilson, who decided that the plaintiffs were not so precluded, but might proceed with this action notwithstanding that they had proved their claim as an ordinary one, and accepted their composition. This decision was reversed by the other members of the Court of Queen's Bench on rehearing, Mr. Justice Wilson, however, adhering to his original opinion. The plaintiffs not being satisfied with this decision, carried the matter to the Court of Appeal, and this court has now delivered judgment reversing the decision of the Queen's Bench, and upholding the view taken by Mr. Justice Wilson. This is, it seems to us, the more reasonable view of the case, as it would do much to discourage attempts to punish dishonest insolvents if the creditors wishing to take such steps were compelled to forego the composition forced upon them by the majority, and rely wholly on the criminal act charged. It is only occasionally that creditors have the courage to make the attempt to put the penal provisions of the Insolvent Act into force, and when it is done

the courts should do all in their power to have the cases tried on their merits. We shall await with interest the final result of the case under consideration, the more so as the impression is becoming general in the public mind, that these sections of the Insolvent Act are on account of the difficulties with which plaintiffs seeking redress under them have to contend, nothing better than a dead letter.

INSURANCE NOTES.

The Insurance Year Book just issued by the *Spectator* company, is a neatly bound volume of 135 pages and supplies important information respecting the various companies doing business in the United States, Great Britain, France, Germany, etc. Over fourteen hundred companies are included, of which 382 are European and 19 Canadian. So far as we have noticed this is the first publication issued on this side of the Atlantic that professes to give the date of incorporation, capital subscribed, amount paid on and the present value of each share; with the quotations of the Stock market and dividends paid, if any. In dealing with the American and Canadian Companies, the date of incorporation is given with its location, the name of the President, Secretary, Capital and Assets at the beginning of this year. There is also a long list of the Life, Fire and Marine Companies in the United States, which have either failed or reinsured their business, with the date of retirement. The number of wounded and slain among the Fire and Marine is 300, while the Life numbers 120. These are some of the main features of the volume, and although it will be seen that a large amount of insurance capital has been wasted, a comparison with business in other departments will not be unfavorable.

Mr. Thomas C. Becker, a policyholder in the Atlantic Mutual Life Insurance Company, brought an action against the Receiver of that institution to compel him to deliver to plaintiff a paid-up policy in full, (\$10,000), or return to him the last premium payment of \$825.45, and deliver a paid-up policy for the sum of \$9,000. The policy was a combined life and endowment, with all the premiums due paid thereon. The learned Judge Wentworth remarked that it was reasonable to suppose that had the plaintiff been aware of the condition of the company he would not have given a note for the last premium. And as a valid defence could have been made to the action had suit been brought for payment, and as the note was paid under protest, the amount thereof should be refunded, and the petitioner declared to be in the position of a holder of a paid-up policy on the date of the note for the sum which the paid-up premiums would then have entitled him.

In 1877 the gross receipts of non-resident fire insurance companies in Pennsylvania aggregated \$8,741,905. After deducting the total losses and expenses on Pennsylvania business there remained a profit of \$233,244. Out of this profit the companies were compelled to pay taxes on the gross receipts amounting to \$69,935.