

one time the Bank's reserve fell to £1,600,000, and the immediate outlook was so serious that the Bank Act was suspended, the Bank being authorized to increase indefinitely the amount of notes issued against securities. As a matter of fact, the regular issue-limit was not at all exceeded, so prompt was the reassuring effect upon public confidence brought about by this emergency provision.

Just ten years later, came the second suspension of the Act—due to the crisis of 1857, brought on by general over-trading and precipitated by United States commercial conditions leading to a heavy drain upon British gold. At one time the Bank's reserve was less than £600,000 its rate being advanced to 10 p.c. The Act was suspended, and in this instance the Bank did make large use of its temporary privilege of issuing notes above the regular limit, until something approaching a normal condition of affairs was restored.

Almost another decade passed before the third suspension of the Act took place in 1866. The American Civil War disorganized the cotton industry and in the end adversely affected business generally—though for a time stimulating it. Over-speculation in new limited liability companies was another cause of the crisis which culminated with "Black Friday," May 11, 1866. Again the suspension of the Bank Act was invoked and at once the storm began to subside—though the disturbance had been too severe to allow a quick return to a state of calm.

It is advocated in many quarters that in future, instead of waiting until some possible crisis may have fully developed, the Bank should be permitted to take time by the forelock, rather than be required to wait until the Government formally suspends the Act. To quote one exponent of this view, F. Straker, Fellow of and Lecturer to the Bankers' Institute: "If the suspension of the Act were to a certain extent automatic, and responsible people knew for certain that money could always be had at a price," the probability of a disastrous crisis would be very remote.

A NOTABLE ATLAS OF CANADA.

The large Atlas of Canada issued recently by the Department of the Interior contains all and more than is looked for in an up-to-date publication of its sort. Attractive, even sumptuous in appearance, it reaches almost the acme of topographic and typographic art. This publication's practical value is as undoubted as its interest. It contains over one hundred and twenty maps and colored diagrams with an abundance of well arranged statistical information regarding population, industries, railways, canals, shipping, commerce, immigration, natural resources, education, public affairs, and so forth.

UP TO DECEMBER 31, 1906, the United States Government has paid \$84,449,000 on account of the Panama Canal, including \$50,000,000 paid to the French company for right of way, franchises, etc. The total also includes \$12,128,152 for plant, machinery, rolling stock and buildings.

THE LONDON & LANCASHIRE FIRE INSURANCE COMPANY has absorbed the Standard Marine Company of Liverpool.

THE STEEL-COAL TRIAL.

Judge Longley Decides in Favour of Steel Company.

The decision of Judge Longley in the legal action brought by the Dominion Iron & Steel Company against the Dominion Coal Company, has been awaited with more than ordinary interest. His verdict, filed at Sydney on Monday of this week, is in favour of the Steel Company.

THE FINDING AS TO FACTS.

After a detailed review of the terms of the contract entered into in 1903 and of the evidence submitted during the trial, Judge Longley's finding as to facts was to the effect that (1) mine No. 6 was on the Phalen seam, and further (2) that coal from No. 6 was fit for steam purposes though (3) unsuitable for metallurgical purposes. He did not consider, however, that (4) the coal tendered by the Coal Company between the 1st and 9th November was "reasonably free from stone and shale" as required by the contract of October 20, 1903. Another point noted was (5) that the Coal Company had proved that it had received a price much larger than \$1.24 per ton (the contract price with the Setel Company) for run of mine coal supplied to other customers. The judge commented upon the fact that (6) the purposes for which the coal was to be used appeared clearly on the face of the contract. It was recorded that (7) the output of the Coal Company from pits on the Phalen seam other than No. 6 were much more than sufficient to fill the Steel Company's requirements which (8) appeared to have been 80,000 tons in August, September, October and November, 1906. Reference was made to (9) the Coal Company's declaring the contract at an end on November 9, an account of the Steel Company's refusal to accept coal delivered, and it was shown that the works of the latter company had been temporarily closed until coal at a greater cost was obtained from other mines—a temporary contract being later made between the two companies under which the Coal Company, pending legal decision, should furnish selected coal at a price much in excess of that in the original contract. His Lordship (10) could not sustain the Coal Company's contention that as a certain quantity of coal for steam-producing purposes was required by the Steel Company each month, the supply of a large quantity of coal between November 1 and 9, fit for such purposes (but not for metallurgical use) should be taken as a contract delivery for the month. From the evidence it was plain that (11) the coal seams in Nova Scotia, and, indeed, in all parts of the world vary in quality, and that coal taken from one part of a seam may differ materially from that taken from other parts of the same seam. It did not appear to the judge (12) that the refusal of the Steel Company to take unsuitable coal between the 1st and 9th November, was made with any desire or intention to terminate the contract. He ruled also that (13) the National Trust Company—to whom the contract had been assigned as trustee for the bondholders of the Steel Company—had a right to be joined in the action in which, practically the Steel Company were the plaintiffs; and that the Trust Company had a right to see that the contract was not impaired in any way by collusion on the part of the Steel Company with