

forced upon the people by our geographical position. Had Upper Canada possessed a sea port and the means of maintaining a separate Government, it is highly improbable that it would ever have linked its fortunes with Quebec. We must, however, confine ourselves to Mr. Forbes.

He thinks that "there can happen 'only one thing to tear up by the roots' this beautiful Australian loyalty that 'England makes so light of to-day.' That thing will be, or would be, England's entering the lists of war with a 'great European power.' The consequence of such a war, in Mr. Forbes' opinion, would be that the Australian 'coast towns,' of which he enumerates a dozen or so, 'would tempt the cruisers 'by their absolute openness and defencelessness.' Again Australia has an immense public debt. Queensland, with a population of 225,000, has a debt of over eighty millions of dollars, New Zealand, with 500,000, over one hundred and fifty millions. Mr. Forbes thinks that although at present the security is ample, yet in case of a foreign war there would probably be default, and that this would lead to bad feeling between debtor and creditor. It is therefore his conclusion that the only security for the connection is the maintenance of peace, and further that so long as peace is preserved there is no probability of federation taking place. We shall let Mr. Forbes speak for himself on this point.

"The act of separation from the Mother Country exercised by the Australian Colonies, as the result of a war that had 'wrought them the harms I have outlined, must and would bring about 'Australian federation, and would be the 'only lever that could effect that consummation. The one thing is the complement of the other. Federation is as 'much a chimera under the present conditions as it would be a necessity under 'the other conditions.' After declaring that Australian statesmen are amusing themselves and their listeners with unpractical talk about federation, and that each colony is prospering without it, while there is a strong intra-colonial feeling against it, Mr. Forbes makes an exception in the case of Victoria 'which has some 'vague hankering after it from interested 'motives. The other colonies are working each for its own hand in directions 'which are plainly hostile to federation.' We confess that, notwithstanding much that is written in a hostile spirit, the impression made by Mr. Forbes' article is that he is as favorable to separation as some of its Canadian advocates profess to be.

#### THE COTTON MILLS.

Some of the cotton and woolen mills, for whom Mr. D. Morrice has been acting as banker as well as commission agent, are put to no little inconvenience by the terms of the change which took place a week ago, and are now in a position to appreciate his former services for them. The condition of the St. Croix mill, St. Stephen, N.B., is most serious, and the Stormont of Cornwall will probably require some indulgence. One of its banks, the Exchange, can help it but little, and the Federal, which refused to sign the extension of last week with out a guarantee, insists on seeing the mill's balance-sheet before going any further; and, as there is little to be hoped from this quarter, notwithstanding the brave speech at last week's meeting, it is not at all improbable that the Stormont may be compelled to close for a few days. The deficiency of \$16,000 is offset by the mill, which is free of incumbrance and worth over \$300,000. The Montreal Cotton Co., Valleyfield, who doubled their capacity only about a year ago, at a cost of about \$400,000, are obliged to provide for the immediate discharge of a large amount of floating indebtedness. This mill turned out six million yards bleached goods in 1881, but the directors, seeing that some nine million yards of such goods were still brought into Canada, determined on a large increase, but they overshot the mark, and have now a capacity for 20 million yards per annum. The Company hold a meeting of shareholders to-day, in order to provide for the extinguishment of their floating debt of \$150,000, and for the lifting of a mortgage for an equal amount. The shareholders have the alternative of buying up among themselves the proposed bonds of \$300,000, or of guaranteeing them for any persons or bank desiring to purchase or advance upon them. One of our larger banks is prepared to advance on the bonds thus guaranteed what is required for all immediate purposes, and perhaps more. The Windsor (N.S.) mill is almost the only one of those acted for by Mr. Morrice not using advances on their fabrics. There are likely to be some rearrangements of the agencies. The terms agreed upon by the mills at the recent congress held here are being adhered to, and goods are moving at a reasonable rate. We deem it necessary to make the above remarks in consequence of the exaggerated reports afloat.

**WALTER ROSS FAILURE.**—The circumstances surrounding the failure of Walter Ross, merchant, of Picton, Ont., referred to last week, are such as to produce feelings of grief and indignation in the minds of his creditors and friends generally. Mr. Ross was for many years the leading man in Prince Edward County, and at one time, perhaps twenty years ago, was considered worth not much less than \$200,000. He at that time, and for long after, represented the county in Parliament, and the consequent neglect to attend to the details of his business, together with losses by speculation in grain, culminated in disaster in 1879. He had married a lady of some wealth, the widow of the late Dr. Prime, who was a claimant under the former settlement for \$14,000. It will be remembered that the trustees sold Mr. Ross back his estate at 50 cents in the dollar, and there is yet some \$6,000 due on account, of which Mrs. Ross claims about one-half, and the trustees

have judgment against the present stock for that amount, so that she gets in full what is due her from the old estate. Some few weeks ago, Mr. Ross visited Montreal, obtained renewals of his notes all round, and made further purchases of goods, among them a large quantity of carpets from one of our leading dry goods houses. He also bought a lot of furs, etc., in Toronto. These had scarcely got into stock when a number of local creditors, some of them from the time of the old failure—sued for the amounts of their claims. Mr. Ross entered defence, and then abandoned it, making it equivalent to a confession of judgment. There are judgments on notes of about \$22,000, of which a large proportion is endorsed by his wife, but who, owing to his refusal to assign, will get clear of any responsibility in the matter, and the makers of the notes on which she is endorsed will rank on the estate next to her old claim. The stock is estimated at about \$27,000, and this will probably bring 60 cents in the dollar at the sheriff's sale. It will thus be seen that there is little left for the ordinary creditors, whose claims amount to about \$20,000. The wholesale firms who trusted Mr. Ross with their goods,—not because of his means,—must experience a revulsion of feeling at such practice in his later years, and they scarcely think he can retire from business, however comfortably provided for, with the consciousness of having performed his part as faithfully and well as his circumstances would allow. How are the mighty fallen!

#### FIRE RECORD.

##### ONTARIO.

*Toronto, Oct. 23.*—A fire occurred in the building occupied by Dineen, hatter, Dixon, photographer, the Electric Despatch Company, and Milligan's tobacco store. Dineen's loss covered by insurance in Lancashire Co., Dixon insured in Northern, loss slight. Despatch Co.'s loss is \$500, insured in Scottish Commercial, Milligan is insured for \$850 in Imperial. *Chatham, Oct. 19.*—The residence of Dr. Seiveright partly destroyed. Loss, \$2,500; insured in Royal for \$1,000. *Mitchell, Oct. 24.*—A. Mitchell's stove factory destroyed, with contents. Loss, \$7,000; insured for \$2,000 in Waterloo Mutual. *Belleville, Oct. 24.*—A barn owned by P. R. Palmer, and occupied by W. H. Ketcheson, destroyed with contents. Mr. Palmer loses \$1,200; insured in Liverpool, London & Globe. Mr. Ketcheson loses \$2,500; insured for \$500 in Liverpool, London & Globe. *Creemore, Oct. 24.*—J. D. Trenaman's foundry with contents destroyed. Loss, \$4,000; insured for \$300.

##### NEW BRUNSWICK.

*St. John, Oct. 8.*—A four-storey brick building occupied by J. S. Timms & Co., trunk makers, Stewart & White and W. Logan, burnt. Loss not known. *St. John, Oct. 1.*—A building owned by S. Souther destroyed. Loss \$1,000; insurance \$500. *Annapolis, Oct. 1.*—McIntyre's Chemical Works destroyed. Loss \$12,000; insurance \$4,000, divided between the Western and Citizens. *St. George, Oct. 19.*—A fire occurred in the store of J. O'Neill, which spread rapidly, and the following buildings were consumed:—K. P. Gilmore's barn full of hay; temperance hall, primary school room, Epps, Dodds & Co. office, telegraph and post office, J. O'Neill's dwelling, O'Brien & Gilmore's store, E. Gilmore's house, and the Baptist Church. O'Brien & Gilmore's stock partly saved, insured for \$800 in Western; the temperance hall insured for \$500 in City of London. Jno. O'Neill lost nearly all his furniture and clothing. James O'Neill had no insurance; loss, \$5,000. *St. John, Oct. 17.*—The large building at the corner of Union and Carmarthen streets, destroyed. The occupants of the building were: Peters & Sutherland, Mr. Simms, W. Logan, and Messrs. Stewart & White. Total loss not known. Insurance as follows: Stewart & White, \$1,000 in Hartford,