

of the railway to Lake Temiscaming, will carry off everything that is made above that point. The Province [of Quebec] will thus lose the means by which the back country might be settled up, and when robbed of its timber it will remain forever desolate." Further, and even more strongly, this letter continues:

"If we don't wake up and build the proposed road to Temiscaming, we are utterly undone. And the Province is even more interested than the city, for this is the only way to secure the settlement of the back country, and prevent its resources being stolen for the benefit of Ontario. Let the reader take a map of Canada, and draw a straight line from Quebec to Michipicoten on Lake Superior, and he will see that there is common sense in this project."

While we cannot wonder at the chagrin of the good people in Quebec at seeing trade go elsewhere which used to pass through their doors, it is proper to say that such language as "Quebec resources being stolen for the benefit of Ontario" hardly befits the occasion. Perhaps, however, he uses the word "stolen" in a Pickwickian sense only. Nobody here about wants to steal Quebec resources, so far as we know. If, as the years go on, it is found that new channels are better than the old, the lumber trade, like any other trade, will take the preferable route, regardless of what particular interest or port is affected. The writer of this letter uses the expression "wake up." Evidently he was himself not very widely awake to the course of the lumber trade of late, for he avows his "surprise" to find, on looking up the Government statistics, that last year "1,900 million feet of lumber was carried by Canadian railways," while the whole of the timber fleet that came to Quebec this season would not have carried, of sawn lumber and deals, more than 300 million feet.

If railways are to do the lumber carrying of the future, the correspondent is quite right, from his point of view, in calling for the building of a road from Quebec to Temiscaming. It is a most direct route to tide water and would be a good thing for Quebec. So direct is it that the Temiscaming railway from Toronto, which he regards as so threatening, if it is ever built, will be no rival for his in the matter of trans-Atlantic shipments, for the Toronto road would have to traverse two sides of a triangle, while the Quebec road would traverse only one. He is right enough, too, in calling on the Board of Trade to look into the matter. What we object to, however, is the concluding sentence of the letter, asking that "both Governments be urged" to do something in a matter that it is the proper function of those interested in Quebec and the lumber trade to do for themselves. There is too much, nowadays, of the waggoner calling on Hercules for help.

—A correspondent suggests, with reference to last week's article on "The Liberty of Sealing in the Open Sea," that the Americans might say that when they entered into a convention with France, in the year 1800, that each nation should be

at liberty to catch *veau marin* in all parts of the world, the common seal only, and not the fur seal of Alaska was meant. But this pretence cannot be set up, because in the American official copy of the convention *veau marin* is translated by "seal," meaning seal in general and not any particular kind of seal.

REALIZATION OF ESTATES.

A subscriber sends us a copy of an English trustee's realization account, which he finds in a periodical sent to him from the Old Country. The amount of the legal charges and the percentage of trustee's and other functionaries' pay, are enough to make one stare. But perhaps, as the English paper suggests, the creditors "derived some satisfaction from having the bankruptcy thoroughly enquired into, and well surrounded with litigation."

The following is a summary of receipts and payments by the trustee:—

Dr.	Receipts.
To total receipts from date of receiving order, viz:—	
"Stock-in-trade, household furniture, and surplus from securities in the hands of creditors.....	£370 3 11
"Deposit on petition	5 0 0
	£375 3 11
Less—	
Payments to redeem securities....	63 0 0
	£312 3 11
Cr.	Payments.
By board of trade and court fees (including £5 stamp on petition)	£ 19 7 2
"Law costs of petition.....	25 5 2
"Other (?) law costs as taxed....	112 7 7
"Trustee's remuneration, as fixed by the committee of inspection, viz:—	
10 per cent. on £267, assets realized.....	£26 14 0
10 per cent. on £65 ls. assets distributed in dividend	6 10 1
	33 4 1
"Person appointed to assist debtor under s. 70	1 11 6
"Auctioneer's charges as taxed..	13 11 6
"Other taxed costs	5 19 8
"Costs of possession.....	2 0 6
"Cost of notices in <i>Gazette</i> and local papers	3 19 9
"Incidental outlay (?)	22 16 0
"Total cost of realization (?)....	£240 2 11
By paid to creditors, viz:—	
Preferential.....	£7 0 0
Unsecured, first and final dividend now declared of 9½d. in the £ on £1,604 9s.	65 1 0
	72 1 0
	£312 3 11

Here is an estate which owes £1,604 9s. The amount realized from its assets was £375, equal to say twenty-three per cent. Out of this £375, however, the lawyer, the trustee, the auctioneer, the Board of Trade, and other portions of the machinery of a red tape administration, eat up £240, leaving for creditors less than one-fifth of the sum realized. It is worth while to observe somewhat closely the particulars of this summary. There was a payment to redeem securities, which of course is proper enough. Then there are Board of Trade fees and court fees, five per cent. of the realized assets; law costs of petition, seven per cent. of the assets; "other law costs as taxed," the enormous proportion of £112 7s. 7d.,

which removes thirty per cent. of the assets at one stroke. Then there are "costs of possession," cost of notices in *Gazette* and other papers, and other taxed costs, making in all some £12, or rather more than three per cent. Next the auctioneer's slice is three and a half per cent., while "incidental outlays" seem rather high to be wholesome at £22 16s., especially without any details being vouchsafed. Thus the total costs of realization, as we have said, were some £240, and the other expenses leave the merest bagatelle of 9½d. in the £ for creditors.

The instance given is noteworthy in one or two respects. In the first place, the trustee's commission is ten per cent. upon the assets realized. In Canada this remuneration ranges from four to five per cent. Next the legal and other charges appear extortionate; but many of them are fixed or at least allowed by law. In Canada we have quite red tape enough in this connection and the legal fees are heavy. But they are likely to remain so until we have an Insolvency Act, and creditors control the estates from the first, directly, and not through lawyers, to whom debtors now fly for "protection."

AMERICAN FIRE UNDERWRITERS TAKING COUNSEL TOGETHER.

At the twenty-first annual meeting of the Fire Underwriters' Association of the North-West, held in September, the president's address was given by Mr. P. Sheldon, who is also president of the Phenix Insurance Company, of Brooklyn, and of the Factory Insurance Association. Mr. Sheldon was educated in the legal profession, but during his business experience he has been connected principally with manufacturing enterprises. He told his auditors that, while so engaged, his first thought was to put the business in which he was engaged in such a shape that a conflagration would not imperil its continued existence as a business enterprise. With this object in view, he endeavored to bring the running expenses of his factories down to the lowest point consistent with safety. To obtain fire insurance at as small a premium as possible in good reliable companies, was one of his ways of keeping down expenses. He referred to what an officer of one of the New England stock companies had said to him on one occasion: "I appreciate what it is, but it is my business merely to go and see what a risk is, and what it is worth to underwrite it; it is not my business to be responsible for anything that would tend to reduce the loss by fire and bring down the rates of insurance." Mr. Sheldon says of this official's view: "I could see the logic of what he said, but the more I thought of it, the more I saw that, while it might be to the apparent good of his company that he should take that view, yet the ultimate good, the benefit that would be lasting, was for the time lost sight of."

Mr. Sheldon took the opposite view, considering it wise policy in a company to improve a risk with the view of lessening the fire hazard, and consequently lower the rate of insurance. He attributed the success of the New England Mutual principally