

## ARBITRATION IN TRADE.

*Bradstreet's*—that very valuable journal devoted to Trade, Finance and Public Economy—has in its last number a succinct yet highly suggestive article on the Court of Arbitration in New York. The writer assures us that the tendency among business men there to settle their disputes by arbitration appears to be growing stronger year by year, and certainly the merchants and traders of the city of New York cannot complain of a want of facilities for adjusting controversies without resorting to the regular tribunals of the State. It is competent to all who may have differences upon any mercantile or commercial matters to bring their cases before the Court of Arbitration of the Chamber of Commerce of the State of New York; or, if they do not wish to avail themselves of the common law and statutory rights, they may, if members of any of the exchanges, agree to submit disputes between them to the decision of the Arbitration Committee of their trading corporation. The proceedings before the Exchange Committees are regulated by the by-laws of each exchange. The Chamber of Commerce of the State of New York had similar powers for arbitrating upon disputes among its members, but they were superseded by the provisions of the statutes of 1874-75, which established the Court of Arbitration, under the direction of an official arbitrator to be appointed by the governor of the State. "Any party or parties having a controversy upon any mercantile or commercial subject" may summon the opposite party to appear before the Court of Arbitration for the purpose of settling such controversy. The party so summoned is to be deemed to submit to the jurisdiction of the Court unless he files a declaration of objection, which has the effect of dismissing the summons. When the parties are willing to proceed, they may, if they think fit, appoint assessors to sit with the official arbitrator. The Court has the most ample powers vested in it by special statutes. Rules are made in pursuance of these provisions for insuring a full and speedy adjudication upon matters in dispute, and the decision of the Court is conclusive. The submission to arbitration before the exchange committees is voluntarily made by an agreement between the disputants, duly signed and attested. The agreement usually contains a provision that the decision is to be conclusively binding upon the parties. Very extensive powers are vested in the exchanges by the legislature for compelling the attendance of witnesses at the hearing, and in other respects exercising some of the most important functions of the established courts of justice. It is usual to provide that the award may be filed in the office of the Clerk of the Supreme Court of the City and County of New York, and a judgment entered and execution issued thereon the same as authorized by law in regard to judgments in the Supreme Court, and that such judgments shall not be removed or

reversed or in any way modified except for fraud, collusion or corruption of the Committee of Arbitration, or some member of it. The by-laws also provide that any member who, after having given his written consent to have his case decided by arbitration, fails or refuses to abide by the award, shall be reported to the board of directors, who may suspend him until the award is complied with, or lay the case before the exchange, which may expel such defaulting member. Having regard to the extensive powers they possess, the arbitration committees are justly regarded as most important adjuncts of the exchanges. This principle of arbitration long since made great headway in England, and, as we showed in a recent article, comes within the scope of the principal Chambers of Commerce of Continental Europe. Its adaptation to Canada is at least worthy of thoughtful consideration by our business men.

## A BUILDERS' MESS.

WE are informed that a sort of crisis has been brought about in Toronto among the building trades by quite unexpected causes. The growth of that city has been stimulated of late years by what are called speculating builders, backed by the capital of the numerous Loan Companies there. Material and labor were so cheap, and money was so abundant, that rows upon rows of houses, costing from \$750 to \$3,000 a house, were built on the supposition that the rentals would more than pay the interest, while a profit could be realised on sales. Last spring, however, the strikes among the carpenters, plasterers, laborers, &c., raised the cost of buildings of this class so materially that many remained unfinished, ready neither for rental nor sale, while the new Mechanics' Lien Law, which was passed by the Local Legislature at the instance of the Trades' and Labor Council, frightened the Companies from entering into new contracts for advances. Under this law, wages and other charges bore a preference, or at the least an equal claim to *pro rata* distributions with the capital advanced as mortgage, so that the Companies now say they will advance so much on a finished house, but decline to pay out on progress estimates, as heretofore. The operations of the speculative builders having thus been stopped, their card-castles naturally fall. Many men have been forced to stop business, or compromise with their creditors, putting their affairs into the hands of trustees. A great deal of this house-property is consequently in the market at or under cost. Doubtless this trouble will soon rectify itself, purchasers will be found, and the contractors and mechanics will again find employment. But in the meantime it seems as if the manager of the labor interest had somewhat overshot the mark.

THE MARITIME BANK.—A meeting at St. John, N.B., this week of the shareholders of the Maritime Bank approved of the re-

commendation of the Directors in their report that 3,000 shares, now unallotted, should be allotted. This would give more capital, improve the Bank's position and prepare the way for having the Bank's stock brought from its nominal to its real value. The shareholders unanimously agreed to this being done. The position and prospects of the Bank appeared to give the shareholders much gratification.

## THE STOCK MARKET.

THERE has been a good amount of business transacted this week, and prices had on the whole a decided upward tendency. The demand for the various stocks was, however, capricious, some being much sought and others very little if at all called for. Montreal stood at about the same price as last week, closing at 212; the sales, however, were less, the numbers being 3,039 and 1,300 respectively. Merchants' advanced from a minimum last week of 128½ to 130½ yesterday, closing at 130½; sales this week, 904—last report, 867. Commerce was specially active, reaching 144½ and closing at 144½; no less than 2,325 shares changed hands as against 1,320 as per last table. Toronto appreciated markedly from 185½ last week to 191½ this, closing at 191½; the sales, however, fell off, the difference being as between 948 and 680. Ontario was but little sought, more than maintaining its highest quotation of last week, however, and closing at 127½. Montreal Telegraph displayed an activity that has ceased to be usual, the sales having been 1,660 as compared with 575, with prices substantially unchanged, and closing at 131½. Richelieu appears to have roused up again, 985 shares having changed hands, and quotations rising to and closing at 74½. City Passenger advanced from 148 last week to 152 this, closing at 152; sales, however, fell off from 1,490 to 635. City Gas went up, Edison and electric lights to the contrary notwithstanding, reaching 175½ as against 172 last week, and closing at 175½; on Thursday the number of sales reached 1,540, and during the week 3,775, thus comparing well with the previous record, which reached only 1,040.

The Money Market has been quite easy, the supply being fully adequate to the demand. Commercial paper is discounted at 6@7 per cent., and call loans on stocks made at 5½@6 per cent. Sterling exchange is quoted at 9½@9 3-16 prem. for round amounts of 60-day bills, 9¼@9 5-16 prem. cash over the counter, 9½@10 prem. for demand bills. Last week the Government called for tenders for sterling to the amount of £130,000. The tenders from the banks were at from \$109½ to \$109¼. The successful tenderers were the Merchants' Bank and the Bank of Montreal. The former sold to the Government £60,000 of the whole amount.

## ANSWERS TO CORRESPONDENTS.

A. H., Toronto.—Write (and vote) early and often. Always acceptable.