

lieve that there was not a consciousness that this was not legally tenable ground; and the supposed blunder or omission touched the national pride of the Americans. And then the idea that they were got the better of, in the fishery arbitration, however unjust, is widely entertained, and is not the less galling. We believe that these considerations have, more than anything else, tended to beget the hostility which has been so loudly expressed to the fishery award. There is no reason to doubt, however, that it will be paid, all the same, though not till some correspondence with the British government has taken place, as in justice and equity it ought to be. And if the payment is to lead to the breaking up of the fishery arrangement, as soon as that is possible, the Americans will be the chief sufferers by the change.

BANK MEETINGS.

The time for the annual meetings of the banks has again arrived. Besides the indications given in the dividends announced before-hand, there is always much to be learned as to the condition of mercantile matters, and the probable course of monetary affairs, from the utterances of bank directors and managers, and from the reports they submit at their yearly meetings.

Business men have become accustomed to look for prudent and practical words upon the business situation from the authorities of the Bank of Montreal; and in the report submitted at the sixteenth annual meeting just held, there is much that is well worth pondering. The "natural and enforced curtailment" of business in Canada, as it is sententiously called, has undoubtedly caused a restriction of the operations of the bank, evidenced in the lessening of discounts to the extent of nearly \$3,000,000 as compared with the previous year. This lessening, we are told, took place chiefly at Montreal, although it was noticeable at all the commercial centres. That the bank was able, doing a smaller business, in still precarious times, to show net earnings \$241,000 greater than those of last year, may well be called an unexpected result, undoubtedly evincing assiduous care and good judgment in the management, and may, we think, be taken as evidence that the prolonged business stagnation, which the same authority last year deemed unparalleled, is giving signs of abatement.

That a point has now been reached, at which business can be done with some confidence and profit, is not entirely conceded by the directors. The lumber trade is languid; mercantile competition is great,

and manufacturers are not all that the fancy of some of their critics paints them. There is, however, a feature upon which no doubt is expressed, and that is the beneficial result of the contraction practised by our best merchants, and the change which has taken place from the policy of former years, under which we imported too much, credited too much, and spent too much. Another feature in the account is the reduction effected in the army of storekeepers by the compulsory withdrawal of many from its ranks. While we may feel sympathy for the hardships of individuals who fail, it is impossible, regarding the situation broadly, to be sorry that failures are thinning out the trading class, who have been jostling and embarrassing one another for years, and whose excessive numbers have kept the whole class virtually poor.

The more cheering considerations of the occasion are the good harvest of last year, and the favorable prospect, thus far this season; the movement of many from our towns to fresh fields in newer settlements; the improvement in business in the United States. The report closes by expressing, in terms most cautiously chosen, the idea that while we are warranted in looking forward to a somewhat more prosperous period, there is nothing to justify the expectation of a golden age.

Of the matters more directly connected with this bank's internal management, a very important one receives particular notice in the report. We refer to the arrangements recently made for the increase of the inspection staff. We have long urged the essential importance of making this department in all our banking institutions an efficient one; and no stronger testimony is needed than that given by our leading bank to the satisfactory result attained by giving branches and distant agencies additional supervision.

The Consolidated Bank held its annual meeting on Wednesday last, but we are not at this writing in possession of a full report of the proceedings. The Quebec Bank shareholders met on the 3rd, those of the Maritime Bank on the 4th. We shall refer to these in next issue.

SHARP, BUT FUTILE.

A few days ago a demand to make an assignment in insolvency was served by Messrs. S. H. & J. Moss, of Montreal, on Messrs. J. G. Joseph & Co., wholesale jewellers of this city. This process was based on an overdue note of one thousand six hundred dollars, which had matured four days before the demand was served. The right to take such a proceeding is governed

by the fourth section of the Insolvent Act of 1875, and can be exercised only when a debtor has ceased to meet his liabilities generally as they become due. According to the terms of the Statute such a step can only be taken by unsecured creditors. The Messrs. Moss held, as security for this note, paper amounting to over six thousand dollars, which had originally been held by them as security for a much larger sum, the greater part of which had been paid off by J. G. Joseph & Co. Some of this paper was stated to be worthless, but it was sworn on behalf of the defendants to be worth more than twice the amount of this note.

This demand to assign was moved against as being illegal and unjustifiable; the defendants alleged that there were no other of their liabilities overdue, and that they were prepared to pay this note at once upon the collaterals being handed over to them. Upon this petition being presented to His Honor the Judge of the County Court of the County of York an order was made allowing Messrs. J. G. Joseph & Co. to continue their business in the usual course pending the disposal of their application, and the plaintiffs were allowed time to answer the case made for the defence. The matter came up finally for argument on Monday last when, after hearing all parties, His Honor stated that on account of the importance to the defendants of the matter in issue and in view of the clear case they had made out, he would not defer giving his judgment for an instant. He characterized the proceedings of the plaintiffs as harsh and wholly unwarrantable. These proceedings had, according to the finding of the Court, been taken without reasonable grounds, and merely for the purpose of enforcing prompt payment under color of the insolvency statutes. The plaintiffs were condemned to pay treble costs, being the highest penalty which it was in the power of the Court to award.

It appears that pending the proceedings, payment of the amount due the plaintiffs was obtained by them from one of the collateral notes which they held, which payment they at first refused to take, but afterwards, acting on the advice of their solicitor, accepted. This is certainly a circumstance tending strongly to show that the plaintiffs were not in such serious danger of sustaining a loss as to be justified in taking so extreme a step against the defendants as the service of a demand in insolvency is.

—The vacant seat upon the Montreal Board of Harbor Commissioners, formerly occupied by the late Hon. John Young, has been filled by the appointment of Mr. Edward Mackay, one of the founders of the well-known firm of Mackay Brothers, of that city.