

## TRADE—FINANCE—STATISTICS.

Our merchants and bankers are felicitating themselves, and not without cause, upon the marked decrease of insolvencies during the first three-quarters of the present year as compared with last. The decrease in number is about fifty per cent., and in amount fully seventy per cent. Some of our financial journals, alarmed and agitated by an article in that Conservative paper, the *Glasgow Daily News*, condemnatory of Canada's abolition of the Insolvent Act, are fired into enthusiastic advocacy of its re-enactment in some form or other. There are thus plainly two distinct lines of thought current amid the mercantile community, dictated apparently by the special "party" to which each lends support; the one ascribes the healthful result to the withdrawal of the Insolvent Act, which is thus, in their opinion, proven to be wisdom; the other alleges that Government action has had little or nothing to do with it, and that its withdrawal has not withdrawn insolvency altogether, and therefore has not abrogated the continued necessity for legislation fitted to meet the requirements of trade. The balance of hard facts, and it is with these the mercantile community is most accustomed to deal, is decidedly favourable to the latter view; although the former is a half-truth in thus far that large concerns whose bankruptcy under present circumstances of legal recourse, or rather the total absence of all legal adjustment, would entail serious loss on all interested, are supported and floated through by their creditors so long as they can be induced to continue the struggle. Present creditors naturally prefer to stand from under, if others can be tempted to take their place in the "propping" department. It is therefore by no means certain that the returning prosperity, indicated by the recently published insolvency statistics, is so real as it appears; although it is equally true that the improved state of trade, combined with withdrawal of all legal means of discharge, has enabled many concerns, animated by despair, actually to retrieve their position and attain at least a temporary solvency. How far such success is real and lasting time will tell. There can be but little doubt entertained by those of wide experience in affairs that had things been allowed to reach their worst without governmental interference by the withdrawal of the Act, a more rapid and more genuine recovery would have ensued when once that point was reached. We have not allowed ourselves to touch bottom. We have not sunk the new foundation of our prosperity quite deep enough. Possibly the next storm may demonstrate that fact palpably enough to assist our business education.

Meantime, at least we are finding out what an entire delusion and snare common law in each of the separate Provinces becomes, when applied to the adjustment of trade liabilities, or to the recovery of trade debts. The *Journal of Commerce* speaks of the possibility, in the Province of Quebec, of a bailiff's sale at seven o'clock a.m. Already more than one instance of it has occurred, if our information from the trade can be credited. Few will care to deny that this is using law, not for justice, but to aid fraud. Fraud on the part of a creditor is no less evil or disastrous than fraud on the part of a debtor. It is merely a change of "parts" amid the actors. It does not change the "play." It is anything but play to some of those concerned.

The present condition of the law, or rather no-law, inflicts a very heavy strain upon the morals of the leading wholesale merchants; not so much in cases where the insolvent, or embarrassed debtor, is a man of considerable business capacity, and trades on a large scale, for in such cases legal enactments, or the absence of them, are not much regarded. Business rectitude dictates, both as policy and honesty, a voluntary assignment in trust for the benefit of creditors, to which deed of assignment both creditors and debtors become parties, and the assets are then sold either to the highest bidder or to the insolvent at a rate agreed upon between them, said sale carrying with it a full discharge from previous debt. But with small traders, or women, the case is very different. Frequently, from lack of business knowledge, these are not themselves aware of their true financial position, and put off, hoping against hope, buy from new sources when the old cease to care to supply them, and are suddenly surprised by finding a judgment recorded against them by their older creditors to whom they owe amounts overdue, just after they have replenished their stock-in-trade from freshly opened accounts. They find the bailiff in possession, and all their assets suddenly sold at half-price to satisfy one claimant, while furious letters from their former business friends assail them. To their original creditors the problem is continually presenting itself, shall we seize and sell without mercy, or shall we wait and gradually collect our overdue account, with the prospect continually hovering over us that some other, less merciful than ourselves, may step in suddenly and by the process aforesaid deprive us of all recourse? Thus the very existence of the small trader is continually threatened if he fall ever so slightly in arrears, while his creditor's heart is almost perforce obliged to harden itself like a flint in sheer self-defence. Scores of practical illustrations bearing out these views could already be brought forward. Is this a healthful state of things? Is it a benefit to the consumer when the small trader is placed at serious disadvantage, and competition thus lessened? Is it an advantage to a nation to limit the number of independent, self-guiding, self-reliant men and women engaged in trade or manufacture? Is it wise thus to foster monopoly? Is it advancing civilization

or the reverse? Is it a true source of strength to any nation to divide itself into a ruling monied class, and a working class kept in bonds of accumulations of capital in few hands? Accumulations of capital gained in free competition by superior ability or industry there will always be, in obedience to the natural laws of trade. That is sound wealth in a nation. Unnatural accumulations of the same kind, gained under immoral legal enactments, are not sound or durable, and do not promote real national prosperity—and National Prosperity is the "N. P." which will always command the popular vote.

We need an Insolvent Act. We need a law to distribute assets justly and equally among creditors, so long as insolvency shall remain even a possible contingency of trade. We shall therefore need it for some hundreds of years yet. It is arrant folly to remain without it. It is rank injustice to permit common law to become an instrument of oppression or robbery in the hands of the unscrupulous trader, whether he be debtor or creditor. The creditor's interests demand it, in order that when losses are incurred he may receive his due share of that portion of assets which has not been lost, and be enabled correctly to value his own assets ere he incurs new liabilities. Under the present system, as many debts cannot be cancelled or valued, the temptation continually assails him to value them too sanguinely if he be sailing close to the wind himself, and still hopeful of weathering the turning point and again reaching the broad sea of prosperity. The debtor requires it, that he may be able to do his best to mitigate the loss to his creditors; and further, the principle is a just one, and so recognized by most business men, that all a trader has of assets ought to be accepted as full satisfaction for a debt, if such assets be willingly given up by the debtor, and his best advice and services afforded in enabling the creditors to make the most of them. The provisions against fraud may be made more stringent, but an Insolvent Act embodying the above principles must be re-enacted shortly, if we desire to maintain our national growth and prosperity.

Merchant's Clerk.

## BANKS.

BANK.	Shares par value.	Capital Subscribed.	Capital Paid up	Rest.	Price per \$100 Oct. 27, 1880.	Price per \$100 Oct. 27, 1879.	Last half-yearly Dividend.	Per cent. per annum of last div. on present price.
Montreal .....	\$200	\$12,000,000	\$11,999,200	\$5,000,000	\$155 1/4	\$139 1/2	4	5.15
Ontario .....	40	3,000,000	2,996,756	100,000	91 1/2	74	3	6.56
Molson's .....	50	2,000,000	1,999,095	100,000	98 1/2	72 1/2	3	6.28
Toronto .....	100	2,000,000	2,000,000	500,000	134 1/2	116	3 1/2	5.20
Jacques Cartier .....	25	500,000	500,000	55,000	92	59 1/2	2 1/2	5.43
Merchants .....	100	5,798,267	5,518,033	475,000	110	86 1/2	3	5.45
Eastern Townships .....	50	1,469,600	1,382,037	200,000	..	..	3 1/2	..
Quebec .....	100	2,500,000	2,500,000	425,000	..	..	3	..
Commerce .....	50	6,000,000	6,000,000	1,400,000	130 1/4	118	4	6.14
Exchange .....	100	1,000,000	1,000,000	75,000	..	..	..	..
MISCELLANEOUS.								
Montreal Telegraph Co. ....	40	2,000,000	2,000,000	171,432	132 1/4	85 1/4	4	6.05
R. & O. N. Co. ....	100	1,565,000	1,565,000	..	38 1/2	38 1/2	..	..
City Passenger Railway .....	50	..	600,000	163,000	113 1/4	82	16	5.30
New City Gas Co. ....	40	2,000,000	1,880,000	..	145	123	5	6.90

\*Contingent Fund. †Reconstruction Reserve Fund. ‡Per annum.

## RAILWAY TRAFFIC RECEIPTS.

COMPANY.	Period.	1880.			1879.	Week's Traffic.		Aggregate.		
		Pass. Mails & Express.	Freight and L. Stock.	Total.		Incr'se	Decr'se	Period.	Incr'se	Decr'se
*Grand Trunk .....	Week Oct. 23	\$74,601	\$170,188	\$244,789	\$220,230	\$24,559	..	17 w'ks	\$603,943	..
Great Western .....	" 15	43,454	76,882	120,336	122,873	7,403	..	16 "	265,253	..
Northern & H. & N. W.	" 15	7,586	23,936	31,522	26,305	5,217	..	15 "	58,218	..
Toronto & Nipissing ..	" 14	1,620	4,283	5,903	4,991	912	..	15 "	5,223	..
Midland .....	" 14	2,261	8,193	10,454	10,212	242	..	15 "	29,896	..
St. Lawrence & Ottawa	" 16	1,563	1,499	3,062	2,886	176	..	16 "	..	2,376
Whitby, Pt Perry & Lindsay .....	" 14	638	1,922	2,560	2,415	145	..	15 "	4,677	..
Canada Central .....	" 14	3,493	6,375	9,868	7,836	2,032	..	15 "	34,376	..
Toronto, Grey & Bruce	" 9	2,517	5,244	7,761	7,450	311	..	14 "	1,427	..
Q., M., O. & O. ....	" 15	7,133	6,727	13,860	5,769	8,091	..	14 "	136,784	..
Intercolonial .....	Month Sept 30	73,440	75,153	148,593	125,597	22,996	..	3 m'nth	93,017	..

\*NOTE TO GRAND TRUNK.—The Riviere du Loup receipts are included for seven weeks in 1879, not in 1880; omitting them the aggregate increase for 17 weeks is \$632,143.

†NOTE TO Q., M., O. & O. RY.—Eastern Division receipts not included in returns for 1879.

To many the existence of gold mines in Canada is usually considered mythical, we are happy to be able to dispute this conclusion, knowing as we do, the growing interest which is being taken by leading merchants and business men in mining interests of the Dominion. When any mining enterprise is undertaken, the only reliable authority for outsiders is that of experts who can, in mining as in other business form a correct opinion as to the value and prospects of the property. In Nova Scotia, many mines are at present yielding a handsome return upon the capital invested, and the Chaudiere mines are well known; a number of New York capitalists have recently purchased some very valuable mining properties in the vicinity of Marmora: these are men experienced in mining investments and the working of mines, and they have been assaying the ore and find that the returns are very handsome. They have organized a company under the name and title of The Canada Consolidated Gold Mining Co.