COMPOSITION WITH CREDITORS.

In the case of Pullen *ex parte* Williams, before the Chief Judge in Bankruptcy, in England, it has been decided that a composition deed is not binding where it secures the creditors a less dividend than could have been paid; that one set of creditors can have no more right to release a debtor from a penny in the pound on their fellow creditors' debts, than they have to release him from the whole twenty shillings. In the case referred to, application was made for the cancellation of a deed of composition executed by the bankrupt, the ground of complaint being that the bankrupt could pay seven shillings in the pound, and only offered to pay one shilling, and that this was unjust so as to make the deed invalid. The Judge expressed the opinion that generosity could not be practised at other people's expense. The law he said, enabling a majority of creditors to accept a creditors composition in spite of a dissentient minority, assumed as an essential condition to the validity of such arrangement, that it should be in all respects just, and shall not have any taint "of fraud, whether it consists in concealment, misrepresentation, inequality, or injustice." This ruling is in accordance with common sense, and would doubtless be followed by our courts in case they were called on to decide a similar question under our Bankruptcy Act. Abuses in connection with composition deeds are not unknown among us, but for the future, with this decision to guide, minorities will not be so harshly dealt with as in many cases they have been.

DECLINE OF THE GOLD PREMIUM.

Gold is down to 115. To very many this fall in the market was as unexpected and unaccountable as the sudden rise of the premium after the passage of the Legal Tender Act in 1862. A notion seems to prevail that there is some fixed point at which the premium should remain. This view is expressed by the *Financial Chronicle* in these terms:—"It is conceded that there is a normal premium for gold over greenbacks, if we could only discover it, and that this normal or absolute price is the point to which the market price of gold will always tend." To this nonsense the *Chronicle* does not give its full endorsation. If there be an "absolute" price, it is one that changes with every day. It is subject to a thousand influences, such as the increase or decrease of exports and imports, of the revenue from duties or internal taxation, the public expenditure, the productiveness of the soil, the mines or the forest. The credit of the government is influenced from all these sources, and that credit is the basis of the currency. Whatever tends to strengthen public credit, or, what is the same thing, the public confidence in the ability and willingness of the government to redeem all its promises, acts directly on the gold premium.

It cannot be doubted that there has hitherto been, especially in Europe, a fear, whether well or ill-founded, that repudiation in some shape might be resorted to. This influence has tended strongly to depress the price of all American Government and State obligations. Recent action in Congress has done much to dispel any doubt arising under this head. Resolutions have been adopted in the Senate affirming the principle that the present irredeemable currency should not be increased; and the funding measures introduced have been favorably received. The decision of Chief Justice Chase is also calculated to render any increase of the currency unlikely. These considerations have much to do with the significant fact recorded in the first line of this article.

We gather from various sources the conclusion that the shrewdest mercantile men have become impressed with the belief that resumption is not far in the distance. The journal above quoted says in reviewing the trade of the week:—"The general tendency of the market is to lower figures, owing in a great measure to the belief which prevails very generally, that the settling of gold is not owing to any unusual or temporary causes, but that it will continue, and that values must follow." We have the same authority for saying that there is a manifest disposition among certain leading firms to effect large credit sales of leading staples at and below market rates, especially dry goods, on which the term of credit is six months, in the confidence that the appreciation of legal tenders before pay-day comes will give a handsome profit. Whether this general anticipation is based on a sound view of the situation or not, the very fact of its existence will tend strongly towards its realization.

CANADIAN MARINE AND FISHERIES.

Canada is the third, if not the second, maritime power in the world, and now that we are in a position to exercise the power vested in our legislature by the Imperial Parliament, of regulating the coasting trade, there is strong inclination to give our marine fair play. As we pointed out some time ago in these columns, the ship-owners on our inland waters have been subjected to competition of a one-sided character. Canadian vessels are not permitted to engage in the American coasting trade, although American vessels enter and leave Canadian ports as freely as our own do. A Canadian vessel when she touches an American port is charged tonnage dues and a clearance fee, while American vessels are permitted to land freight and passengers free of any charge for entry or clearance. Canadian vessels are not permitted to enter any American inland stream or canal, while American vessels and tugs do enter Canadian canals and rivers. As regards ferries, Canadians are at a manifest disadvantage, for a Canadian ferryboat has to enter and clear every time she enters an American port, whereas American ferryboats cross to and fro without any charge or restriction. American citizens are allowed to command Canadian vessels, but no Canadian can command an American vessel. This one-sided rule applies to the case of engineers also.

It is true that the Imperial Shipping Act contained provisions which, had they been enforced, would have done away with all cause of complaint. However, the Act was not enforced, and our shipping interests suffered. If the Bill introduced into the Dominion Legislature by the Minister of Marine and Fisheries become law, it will afford the opportunity of enforcing regulations designed for the protection of ourselves. It provides that, after proclamation by the Governor-General, signifying Her Majesty's pleasure that this Act shall come into operation in Canada, no goods or passengers shall be carried by water from one port of Canada to another coastwise, except in British ships, or from one port of Canada to another on any of the inland lakes or rivers of the Dominion, except in British ships or ships registered under any Act of the Province of Canada or of the Dominion. If any foreign vessel is found engaged in such coasting trade, the master thereof shall forfeit the sum of $400, and goods so carried shall be forfeited as smuggled—the vessel being liable to detention as security for the payment of such penalty. Power is reserved to the Governor General in Council to exempt from the operation of this act the ships of any foreign country in which British vessels are admitted to the coasting trade of such country. All British ships, including those of any British possession, are to be treated in exactly the same manner under this act as Canadian ships; and where the privileges of the coasting trade are granted by treaty to the ships of any foreign country, such privileges will continue to be enjoyed.

There is another matter which the Minister of Marine and Fisheries might and should take notice of. Fishery regulations are all very well in their way. It is a very proper thing to impose wholesome restrictions upon fishermen, and to protect the fisheries, but it is quite possible to go so far in that