

The necessity for the law is the same here as there, and the propriety of its being, when enacted, made applicable to the whole country (which can only be done by its being passed by the Dominion Parliament), is as clear in our case as in that of our neighbors.

Another of our exchangers, the N.Y. *Shipping List*, in discussing the laws of the same state, speaks as follows: "The unsatisfactory bankrupt laws of this State have not only been a frequent cause of complaint from merchants, but have also been the cause of much dishonest bankruptcy. Last winter an effort was made to pass a national bankruptcy law the need of which is universally admitted, but the proposed measure failed for political reasons. At the meeting of the Chamber of Commerce held on Thursday Mr. C. N. Bliss called attention to the glaring abuses that arose under the present system of preferences under existing State laws and urged upon the Chamber the necessity for prompt attention as well as earnest effort on the part of the mercantile community to eradicate these evils. Some means ought to be devised that would procure a fair and equal distribution of a debtor's estate among all creditors."

The advice given to the commercial classes in New York State and by the prominent journals and leaders of opinion there, may well be taken to themselves by our merchants and manufacturers.

NINE MONTHS' FAILURES.

Bradstreet's of the 4th October contains a detailed list of failures in the United States and Canada during the first nine months of this year. It shows that "the total number of failures from January 1 to September 30, 1884, inclusive, was 8,302, as compared with 7,358 in a like portion of 1883, a gain of 944, or nearly 13 per cent., and the record for 1883 in turn showed a gain of 38 per cent. over that of 1882. The increased number of failures in nine months of 1884 as against those of a like period in 1882 is 2,995, a gain of over 56 per cent. The gross liabilities for nine months, amounting in round numbers to \$196,000,000 show an increase of \$73,000,000 in total liabilities over those in nine months of 1883, or 60 per cent. Thus, with a 13 per cent. increase in the number of failures this year we have 60 per cent. increase in the total indebtedness thereof. The increase in liabilities in nine months of 1883, as compared with 1882, was, in round numbers, \$52,000,000, or about 73 per cent., at a time when the number of failures gained 38 per cent. The liabilities of 1884, as compared with those of 1882 (nine months), have gained \$125,000,000, nearly 14-5 times the total liabilities in nine months of 1882. The actual assets for nine months of the current year, amounting to \$108,500,000, are \$45,000,000 larger than the total in nine months of 1883, or nearly 75 per cent., and almost three times as large as those in a like portion of 1882."

In Canada, both the number of failures and the amount of liability show a decrease. In the first three quarters of 1883, the number was 1,075, and in the corresponding period of the present year, 1,034, while the liabilities were respectively \$14,611,248 and \$12,061,586, being a decline in the percentage from 56 to 53. The total assets in 1884 amounted to \$6,475,277, against \$8,108,602 for the same period in the previous year. Dunn Wiman & Co., make the number of failures for the last three months only 979, but the liabilities (\$14,853,492) correspond very closely with those given by *Bradstreet's*. "The one redeeming feature," says *Bradstreet's* "presented by a contemplation of figures is the increased percentage of assets to liabilities throughout the

United States as a whole. The failures in the eastern states have furnished 40 per cent. of the aggregate indebtedness, against 37 in nine months of 1883; the middle states 55 per cent. against 51 per cent. in 1883, and the Pacific states 64 per cent., as compared with 50 per cent. The less favorable exhibits have been in the southern states, where the percentage of assets to liabilities has been 47, as against 49 in nine months of 1883; in the western 61 per cent. against 67 per cent., and in the Territories 57 per cent. against 65 per cent. last year."

Taking the United States and Canada together, there is "an increase of nearly 800 failures for the third quarter of 1884, as against those of a like period of 1883. In New York city the gain for three months was 68 failures, against a total net gain in New York for the nine months as compared with the like portion of 1883, of but 56 failures. Of the total gain in nine months—944 failures throughout the United States—796 of the increase are found in the quarter last past. The gain made in the proportion of assets to liabilities in the Pacific and southern states during the quarter ended September 30, as compared with the record in those regions for nine months ended with the date named, is noteworthy."

It is gratifying to learn that there has been a decrease in the failures in the Canadian North-West. The *Commercial*, of Winnipeg, gives the following figures which show that there have been in the North-West, during the past three months, only seven insolvencies, the aggregate liabilities of which are \$49,804, and their estimated assets \$34,760, showing a discrepancy of only \$15,054. "Such a record," adds the *Commercial*, "for a new and wide country like this, with over 2,800 trading institutions doing business therein, is probably without a parallel on this continent, when we consider that it is only one year since we were in the convulsions of trade collapse." Of course the fact that the failures had been so numerous before, had something to do with the decrease in the first three quarters of the year. The details of failures in the North-West are given as follow:

1883.		Aggregate Liabilities.	
	Insolvencies.		
1st qr.....	47.....	\$	400,000
2nd ".....	45.....		596,000
3rd ".....	86.....		1,458,000
4th ".....	53.....		415,000
1884.		Aggregate Liabilities.	
	Insolvencies.		
1st qr.....	32.....	\$	283,360
2nd ".....	17.....		174,200
3rd ".....	7.....		49,884

In the general term "North-West," Manitoba, is presumably included; for the writer refers to a prediction of the "general manager of the Merchants' Bank in his annual statement speech, that Manitoba may recover from its depression sooner than Ontario did in 1857." to show that it is about to be verified.

DIRECTORS WHO DO NOT DIRECT.

The unfulfilled duties of bank directors and the disasters to which neglect often leads are just now attracting unusual attention among our neighbors. The press and the pulpit are both thundering at the delinquents. The *Chicago Tribune*, on this subject, says:

"Can bank directors learn anything from the experience of other bank directors? That is one of the great financial questions of the day. One of the singular things about the catastrophes which are coming one on top of the other from among the banks is that none of the directors

in the ninety and nine banks that are left seem to take any hint from the banks that go. Nothing would have seemed more natural than that, when the Fifth Avenue Bank was shown to have been cleaned out by its speculating president, the directors of all other banks within the area of the news of that bank murder would have set to work at once to look into the finances of their institutions. But one would suppose from the astonishment of the directors of the New Brunswick Bank when their cashier and president killed themselves, after having killed the bank, that they had never heard of such a thing as bank officers who gambled in Wall street.

"Nothing is so utterly demoralizing as uncertainty. The bank horrors that have already occurred have set people whispering to each other; "Which next?" The evils of such a state of suspicion and uncertainty are unendurable. The sooner what few realities there may be beneath this phantasmagoria of suspicion are dragged to the light and gibbeted to the full view of all the people the better. Bank directors all over the country can do nothing better than begin an active campaign of bank-cleaning, after the fashion of housekeepers who are about to enter on their annual fall campaign against moths, and dust, and other trespassers that have found lodgment in their premises.

"Do you know, Messrs. Directors, whether the neat packages of securities which are exhibited to you by the cashier and the president are real securities? Do you know that they are not mere bundles of waste paper, as those with which Cashier Hill—now gone to glory—amused the directors of the bank? Do you know that the cash which you are told is in the vaults is really there? Do you know whether the loans over the list of which you glance with the help of the cashier are what they pretend to be? Do you know whether or not your executive officers, in order to assist the "deals" of some speculator, are making loans to his clerks and office-boys so that he may obtain surreptitiously an amount of accommodation which could not otherwise be given by your bank to one customer? Do you know what are the personal habits of the officers of your bank? Have you any so "faithful" that they will never take a vacation that would give an opportunity for the inspection of their accounts and books? Have you any \$1,200-a-year clerks who are heavy speculators in Wall street, and own brown-stone blocks, like the "confidential man" of one of the great New York law firms?

"Are you too busy to look personally after such things? Then you had better resign. Are you too fond of popularity to be willing to make yourself disliked by going around "wanting to know?" Then you had better resign. Haven't you the *savoir-faire* to look the president in the eye at your board meetings and insist with a soft tone, but an iron intention, on getting answers to just such questions as you think "other" directors ought to ask? Then, again you had better resign. No man is really shrewd who takes the money of others in trust and leaves the discharge of the duties to hired men. Bank directors who place themselves in that position are simply inviting disaster for others and disgrace for themselves. The director who doesn't direct had better resign.

In the pulpit, De Witt Talmage thunders in this fashion:

"There are men—you know them and I know them—who are sailing yachts and driving fast horses and holding membership in expensive clubs, and owning country seats, who would not be worth a dollar if they returned to others their just rights. A crash comes, and there is a reverse, and the man fails, and he retires from the