

new stock so created did not add one real dollar to the pre-existing capital of the bank. But it created a large balloon, which a gaping public was called upon to admire. It enabled the management to say, but not to say truly, that this \$600,000 of bogus stock was paid up. It made the bank look stronger than it was by \$600,000. It gave confidence and brought deposits. In a word, this remarkable creation served the purpose of deceiving the public. And to deceive the public was the object of creating the bogus stock. By loaning on its own stock, the bank sent up the price for awhile, and applied the parachute when the descent began. The public believing in the false appearance which the artifice had produced, was, for along time, effectually fooled. Every one, who has a taste for that sort of thing, dabbled in the stock. The victims of the delusion are to be found everywhere. The losses of men, women and boys, who do not today hold a dollar of the stock, are enormous. We are not concerned to know the precise process by which the bank's money, or money which it had borrowed, went into this stock; it is sufficient that it went there through some one of the crooked and illegal methods that are possible.

But the balloon got a prick, careened over, then recovered a little for awhile, but in the end the inevitable collapse came. Even the chief engineer was hoist by his own petard, and all who put their trust in him are lamenting their folly in bit'er woe. We only repeat the miserable story to ask whether the time has not come when this sort of thing should be effectually put down? Is the arm of the law paralyzed in presence of such practices? Is there no remedy for daring and persistent violation of the law? Is no one to be called to account for what has been wrongfully, illegally done? Can bogus bank stock be created with impunity? Can such stock find a place in a sworn return, as paid up, and nobody be held responsible for the wrong doing? Can a return which, in the month of May, represents the capital as intact and puts the reserve fund at a million and a half, when the reserve was all wiped out and the capital seriously impaired, have been made in ignorance of the real facts? This is the only excuse that could be made, and it is an excuse that will not hold. The real fact must have been known; and the return made in opposition to the facts must have been put together with the same cool deliberation that presided over the construction of elaborate machinery for the daily defiance of the law.

Richly the Federal Bank stockjobbers, kite-flyers and law breakers deserved the fate they met. Pity they deserve not; and for them we are not concerned. What is necessary is to check the spread of the contagion of this evil example; the honor of our banks demands that this work be done, and it should be done now. We repeatedly warned the Federal management, while it was yet time, to desist from the evil methods they were pursuing; to come back to normal practices, to return within the lines of legality; but it was all in vain. As far as the Federal is concerned, it is now too late to speak; but it is not too late to prevent the spread of the example which the Federal set, at what cost is now seen. If any bank

should have the temerity to follow in the footsteps of the Federal, it will in the end meet the same punishment.

Canadian banks, as a rule, are conducted by honorable men, in an honorable way, and the misfortune is that the reputation of the whole flock is liable to suffer for one black sheep. Reckless management leads to collapse, and the collapse of one bank creates a danger for others. For this reason it is necessary to be timely in denouncing notoriously evil methods; if they escaped censure, their repetition would be sure to occur, bringing all the old evils in their train.

COLLECTION OF DEBTS.

After the various failures and comparatively general depression in business during last autumn and winter, the present condition of business may fairly be regarded as an improvement. Of course the present is a period of waiting more than of realization. The eyes of all are turned to the anticipated success of our different industries, but chiefly to the crops. At this season of the year, the volume of the business done is generally lessened. Considering the restricted movement of merchandise during the year, payments are being made fairly, though renewals are somewhat too common. Should the harvest turn out as well as the present promise indicates, it will no doubt go far to restore confidence, and improve business generally. The time of payment is being deferred on all hands in anticipation of a better time after harvest.

In making calculations for the future it will be as well to bear in mind in connection with this fact that payment of debt is being deferred, that an exceptionally good harvest here and elsewhere might reduce prices of field products to such an extent as largely to negative the advantage otherwise to be derived from that source. From present indications this is a danger that ought not to be under-estimated. Of course any excess of general production would not be so serious a matter as a failure in the agricultural results in our own country. Such excess of general production might, however, be such as to seriously disarrange business calculations based upon better times to follow a good crop.

As to the practical work of enforcing payment against dilatory debtors, the present condition of things in this province is anything but satisfactory. The preferences by collusive judgments so unblushingly given until recently have, it is true, received a check through the enactment of the Creditors' Relief Act. That measure has not been a sufficient time in force to enable any one to judge accurately of what its ultimate effect on the relations of debtor and creditor will be. At present the result may be summed up in one word, "confusion." One effect has been to make creditors loth to institute actions for the recovery of their claims; instead of this attempts are made on all hands, when it is found that debtors are losing ground, to get claims secured in some way. Even the unsatisfactory security of chattel mortgage is now more appreciated than formerly, and the law relating to these instruments, which was never in a very satis-

factory shape, becomes of greater importance to the mercantile community than ever.

It must of course be admitted that the Creditors' Relief Act is an honest attempt on the part of the Ontario Legislature to provide a partial remedy for the state of affairs, the complete remedy for which rests with another authority—the Dominion Parliament. As such it is certainly entitled to a fair trial, and it now becomes more important than ever that the law relating to bills of sale and chattel mortgages, over which the local legislature has undisputed jurisdiction, should be revised and placed on a more satisfactory footing. We have had occasion recently to refer to some decisions of our courts with reference to these instruments which are somewhat startling. In addition to this the old time iniquity of secret hire receipts remains unabated. Probably by the time the House meets again there will have been a sufficient knowledge gained of the working of the Creditors' Relief Act to enable our legislators to consider how far it has become necessary to amend the existing law as to chattel mortgages, preferences, and other transfers of property, in order to bring it into accord with the spirit of the new enactment.

CO-OPERATIVE LIFE INSURANCE.

ANOTHER YEAR'S FIGURES.

Five years since we selected nine of the most permanent looking of the co-operative, or assessment insurance associations of Pennsylvania, and gave their history, as to membership and death losses, during each year from their beginning. As successive years have rolled round, the experience of an additional twelvemonth has been added, and the figures given. Two years ago, three of the original nine companies were unable to hold the confidence of their members, and came to a dead halt, leaving 409 sorely disappointed individuals still on the books, without any value received for having continued so long on the 'monkey-bridge.' The other six still live, and had a membership in 1877, 1880 and 1883, as follows:

Names of Associations.	Membership in		
	1877.	1880.	1883.
Mutual, of Pottsville .....	88	95	69
Odd Fellows, Montrose .....	1,393	900	282
Lake Shore Masonic .....	1,260	1,259	1,178
Temperance Mutual .....	2,850	1,445	981
Home Mutual, Lebanon .....	1,02	304	1,336
United Brethren, " .....	14,337	12,061	9,692
Totals .....	20,515	19,427	18,433

A very rapid decline will be noticed during the last period of three years, compared with the first. New victims are not now so easily found, and many old ones seem to think they have been ble'd enough, now that assessments are levied five and six times as fast as they were at first.

There were, at one time, in the State of Pennsylvania, no less than 236 of these pass-around-the-hat societies, calling for a dollar-per-death-loss. Now, there are only 24 and all of these have a very sickly look, as if their days were numbered. The list we give above, being six of our original nine, constitutes one-quarter of the whole number above ground in that important state—the birth-place of the assessment delusion.

Below will be found the record, year by year, for ten years past, of the three largest Pennsylvania societies—the Southern Tier,