

are put a stop to the better for all concerned.

We are glad to know that at a meeting of the wholesale jewelry trade held in Toronto last month, this conclusion was unanimously arrived at. Toronto wholesalers with one voice say they will protect themselves and their honest customers, but as far as those are concerned who want to make a haul out of what may be their misfortunes, they will bring such wares to a very bad market.

This spirit is to be commended, and in this connection we might say that no merchant who comes before his creditors for the purpose of getting a settlement, whether by compromise or extension, has any right to give any one creditor security in preference to another. He should treat all his creditors exactly alike, and if he does not, the very fact that he has not done so, but has secured the claims of one or more of them should be taken as proof positive of a deliberate intention on his part to defraud them by forcing them into a settlement they would not otherwise be inclined to give. We say in every such case where a merchant gives preferential security and then wants to make a settlement, that the interests of commercial morality and the creditors own interests if they did but know it, demand that such a merchant should be made an example of and put out of business. His offence and his punishment should alike receive all the publicity that they deserve, not only as a punishment to himself, but as a warning to others.

This may appear harsh, but it is just, and we think in saying it we shall receive the sanction and support of the great mass of Canadian jewelers, who often under discouragement and always with great labor are forcing their way upward and honestly paying their way as they go. Nor is this intended to be anything in the way of an honest though unfortunate merchant getting a favorable settlement with his creditors. If such a person, and unfortunately there are some honest insolvents, has to meet his creditors and ask their leniency, let him meet them with clean hands, show a clean sheet and say, "Gentlemen, here is everything I have in the world, it is yours, dispose of it as you like," we say should such a man come before his creditors with such a record, that they will cordially extend to him the help he requires, and do all for him they possibly can.

Did merchants but know it, the whole-

salers from whom they buy, instead of being enemies as many regard them, are really their best friends. And if any of our readers should at any time be unfortunate enough to become involved beyond their depth, our best advice to them is, don't give any one creditor security over another, but at once call a meeting of your creditors and frankly place your affairs before them. If any one can help you they will, and their interests and yours are identical and not antagonistic as many suppose.

That "honesty is the best policy" is an old truism, and in nothing is it more true than in the dealings between debtor and creditors such as we have written of above. While the honest unfortunate should have nothing but sympathy extended to him we hold that the schemer should not only be thoroughly exposed, but punished.

If our wholesale jewelers in Canada are wise they will see that this programme is faithfully carried out from this time forward, and if they do they will not only be better off in pocket themselves, but do a good turn to the great mass of honest merchants who justly glory in paying their debts in full and asking favors from none.

AN EXTRAORDINARY BUSINESS.

Mr. J. C. Diggins, jeweler, of Strathroy, recently notified his creditors that he was unable to meet his liabilities as they matured, and that he would be compelled to ask a promise.

A meeting of his creditors was therefore called for the 10th January, which was attended by nearly every wholesale merchant in Toronto, Montreal and Hamilton. At that meeting Mr. Diggins, who was accompanied by his solicitor, made a statement, that owing to unforeseen dullness in business he had been compelled to ask his creditors to meet him, and consent to a compromise, and finally wound up with a provisional offer secured of thirty cents on the dollar of his liabilities. As Mr. Diggins' statement was neither full nor clear, the creditors declined to deal with his or any other offer until they had more information about the estate. They therefore requested Mr. Diggins to make an assignment to one of their number, which he declined to do, but agreed to do so to a Mr. Johnston of Strathroy. This the creditors stoutly objected to, and Mr. Diggins and

his solicitor as stoutly contended for, until it became evident to the insolvent that if he wanted to have any chance of staying in business he should act according to the unanimous wish of his creditors. He thereupon assigned to Mr. R. Y. Ellis, of the firm of P. W. Ellis & Co., of Toronto, who at once proceeded to take possession of the premises, and collect full information regarding the business.

This done, the assignee called a second meeting of the creditors, which was held on the 10th January, at which the following statement, prepared by him, was presented:

LIABILITIES.	
General creditors.....	\$3,200 43
Mrs. Diggins.....	825 00
Chattel Mortgage.....	967 00
Rent.....	225 00
	\$7,713 00
ASSETS.	
Clocks.....	\$ 664 71
Silverware.....	1,028 04
Jewelry.....	2,787 01
Fancy Goods.....	625 43
Material.....	100 53
Shop Fixtures.....	62 70
Accounts.....	74 70
	\$5,000 11
Apparent deficiency	\$1,004 29

On the face of it, this statement is apparently straight-forward enough, but an investigation shows that either Mr. Diggins deliberately set about to swindle his creditors, or that he is woefully deficient in judgment, and utterly wanting in business capacity; which is correct we leave to the judgment of our readers.

A few years ago, Mr. Diggins carried on business in Strathroy, in company with a Mr. Cross, under the style of Diggins & Cross. Mr. Cross, however, wanted to retire, and Mr. Diggins bought him out. In order to do this and pay off his creditors, he borrowed money from his brother-in-law, Mr. McTaggart, of London, the present holder of the only secured account. Of course, when the existence of this mortgage became known to the trade, as it at once did, Mr. Diggins found it almost impossible for him to buy except for cash, and after some little delay the brother-in-law removed the mortgage on the understanding that it should be again put on if any of his creditors began to press him. When this mortgage was removed, the trade generally were under the impression that Mr. Diggins had paid it off, and the result was that his credit again became fairly good. Early in September of 1884, Mr. Diggins began to make preparations for his fall and Christmas trade. He bought most unselfishly from almost every firm who called upon him, and his purchases for the last three months of last year aggregate about \$5,000. Now, Strathroy is