him through motives of friendship. So held by the Texas Court of Appeals in the case of Gamble et al vs. Talbot.

STATUTE OF FRAUDS — CHATTEL MORTGAGE —VERBAL PROMISE.—Where a party having a chattel mortgage upon a lot of corn, to secure a note of some $1,200, relinquished the same and allowed the corn to be sold and delivered by his debtor in consideration that an agent in whose hands $1,000 was placed, had agreed to pay him that sum when the corn was delivered, the Illinois Supreme Court held (Power vs. Rankin) that the verbal promise to pay the holder of the chattel mortgage was not within the statute of frauds, and that an action lay for a failure to make the payment.

BANK CHEQUE—INCORPORATION OF UNUSUAL WORDS.—An instrument drawn by a depositor on a bank in the following form, after giving the date and the name of the bank, viz.: "Pay to A. and B. for account of C. & Co. ten hundred and eighteen 23-1000 dollars," and signed by the depositor, was held by the Supreme Court of Illinois (Ridgely Bank vs. Patton) to be a valid cheque. The court said that the words "for account of C. & Co." did not change the character of the instrument as a cheque, and that a bill or note without at all affecting its character as such might state the transaction out of which it arose or the consideration for which it was given.

TELEPHONE WIRES — LIABILITY OF COMPANY.—A telephone company may be held liable for an injury to a passer by the fall of its wires in a public street caused by the weight of ice produced by water thrown upon them by a city fire department while extinguishing a fire, according to the decision of the Supreme Court of Minnesota in the case of Nichols vs. City of Minneapolis, decided on the 9th ult. Where such a company is given a license to string its wires over the public street, it is, in the opinion of the court, burdened with the duty of maintaining those wires in a safe condition, so that they may not become nuisances or endanger the safety of the traveling public. —*Bradstreet's*.

WAREHOUSE RECEIPTS—FRAUD—NOTICE. — A and B were warehousemen and lessees of a wharf, to take charge of which they employed C. D obtained from C a receipt showing that the latter had received and held certain pig iron on the wharf subject to D's order. D told C at the time that he wished to raise money on the receipt, and in C's presence endorsed it over to E. It did not appear, however, that C saw what the endorsement was. D pledged the receipt to E for a loan, and afterward fraudulently obtained from A and B a regular warehouse receipt. He then sold the iron to F and transferred the warehouse receipt. The title to the iron being settled to be in F, E brought suit against A and B to recover damages. Upon this state of facts the Supreme Court of Pennsylvania held that defendants were not liable unless it was shown that they had notice of the fact that a loan had been made as security for which the first receipt had been deposited with the plaintiff, and that as the evidence failed to affect them with such notice through their agent C, they were entitled to judgment. People's Bank vs. Etting, reported in *Albany Law Journal*.

## The Railway Problem.

The news in regard to the probable solution of the great railroad problem of the country, has been dressed in various sensational shapes, bristling with imaginary agreements between the great trunk lines which are not only unattained but unattainable in some of the most vital points. There have been negotiations between the two trunk controlling lines looking to a permanent solution of the grave railroad problem that confronts many hundreds of millions of endangered capital, but beyond the agreement that the problem must be solved, no positive action has been reached.

The bottom truth that unsettles the railroads of the country is that there are too many railroads. They have been built in advance of their need; they have been employed, and often profitably, as the source of the development of the wealth and population which are to sustain them, and the efforts of hitherto comparatively local lines to attain the importance and commanding position of trunk lines, have given just about double the number of trunk lines necessary to accommodate the traffic and travel between the East and the West. The result of overproduction of railroads is just the same as the result of overproduction in iron, coal, cotton and woollen fabrics, etc. The supply exceeds the demand; necessities cut prices and paralysis and bankruptcy supplant progress and thrift. The vital difference between railroads and other enterprises is, that coal mines can stop, mills can shut down and furnaces can close to await better times, but railroads once built and equipped, have no future for share or bondholders if forced to suspend regular operations.

There are resources in all great enterprises when necessity rules supreme, and that season has come in the grave railroad problem that the strongest of our railway corporations must face and solve. We say the strongest must obey the impervious mandate of necessity, for there is no law above it, and there is safety only in common sense and common fidelity in the direction of the railway interests of the country. A very few years more of such cut-throat rivalry as has been exhibited during the last five years, would make every great trunk line of the country not only dividendless, but would participate bankruptcy where there has been justly accredited solvency. It is this appalling truth that has brought even a Vanderbilt to take a pause, and that makes the powerful and conservative Pennsylvania corporation hoist the danger signal for all. With a continuance of present competition the great Vanderbilt line must speedily stop dividends, and the greatly reduced revenues of the Pennsylvania, with little reduction in its traffic, tells how rapidly railroad competition is forcing it to the point of loss instead of profit. There are other great trunk lines, but the Pennsylvania and the Vanderbilt are the great arteries of railway life on this continent, and if they shall become dividendless, a sweeping revulsion in all railway values must follow, both at home and abroad. They are the index for financial centres of the whole world in regard to American railway securities, and there can be no railway prosperity and no safety to share and bondholders in any of our railroads when they cease to be profitable. *Chicago Journal of Commerce.*

## CORRESPONDENCE.

### Virden.

(From our Special Correspondent.)

This town has now some twenty-four business places besides the two elevators, and more will be added before snow flies. Once our mill is constructed, all we require for one year to come is a bank of some kind or other, and there is a fine opening for one here.

This town is fast improving in business, and once we get in a harvest such as we have the prospect of at present, we may expect to hear no more of the "hard times" cry which sounded through the country during 1883 4. Crops never looked so well at this time of year, and the acreage around this place is at least one third more this year than in 1884.

There are several new business buildings in course of construction, and at least $10,000 worth of mercantile buildings will be put up this season. This does not include a new flour mill of 125 bbls. daily capacity, which will be constructed without delay by Messrs. Willing & Dier, the former from Brandon and the latter from Winnipeg. The townspeople and surrounding farmers have agreed to give a handsome bonus to this mill, and its construction will be pushed without delay.

### Moosomin.

(From our Special Correspondent.)

Merchants are doing fairly well, although things are a little quiet before harvest. Still all have made big progress in the direction of prosperity since a year ago.

There are several new business buildings being erected and old ones being enlarged at present, and there is considerable talk of some new concerns being started this fall.

The two institutions most necessary and still wanting in this town, are a bank and a mill, and there is a good opening for both. A change of hotel proprietors would not be out of place, as travellers complain that the table of the most pretentious house in town is not what it ought to be.

There are no business changes to report, and the only probable one at present in the baking business is James McAlpine. This has grown too large for him to attend to with his other business, and he is negotiating with a practical baker to take over that branch, and leave him to the grocery business alone.

There are some complaints heard at present of the want of a good butter market to ship to. Prices are very low in Winnipeg, and still worse in Ontario, and although quite a lot of shipments have been made to far western points, merchants are finding that the demand there is too limited for them. There is a large quantity of really good butter produced around here now.

Crops around this town never looked so well at this time of year, and there is every prospect of a bountiful harvest very soon. With our crops saved and decent prices for them, say an average of 65 cents a bushel for wheat, times