

"advantageous, and substituting others, as you may judge most proper for my interest, and the aspect of the times." *Quebec, 20th July, 1814.*—No. 70.

These two documents constitute the principal feature in the cause. It will be seen hereafter that the Respondent conceived that the discretionary power thus vested in him, to be used for the benefit of the Respondent, he, the Appellant, might grossly abuse, to the ruin of the Respondent.

The Judgment of this Court will determine whether the Respondent was right in this opinion, or otherwise.

The letters from the Respondent to the Appellant, from this period, contain frequent allusions to the probable effects of the political events then going on upon the state of the market.

Thus in a letter of the Respondent's principal clerk, of the 10th June, 1814, it is said :—

"Business has been very dull in this Country for the last two months, not only in all kinds of Colonial produce, but also in almost all descriptions of British manufacture, (hardware goods excepted) particularly cotton goods; and, from the great fall in the raw material, woollen goods must also be very considerably reduced; in fact it seems to be the general impression, not only here, but over all Europe, that every description of goods must be greatly reduced in their value, in consequence of a general peace."—No. 26, of Record.

In another letter of the Respondent, of the 30th August, 1814, it is said, "woollens and linens will be much lower next Spring."

In an other letter of the Respondent, of the 1st September, 1814, it is said, "It is now confidently reported that the negotiations at Ghent are broken off for a time—in consequence of which the holders of American produce are demanding much higher prices. Querciton Bark has been sold at £20 per cwt. If we had peace with America it would not bring 10s. per cwt. From the rise in cotton wool, heavy cotton goods must also experience a rise in price. Although peace with America is an event apparently at some distance, I would not advise you to speculate in ashes and staves, unless they could be bought at moderate prices with you; below I quote the present price of these articles, but you are aware a peace with America would produce a very great alteration in them, and this event may be nearer than most people suppose."—No. 29, of Record.

In another letter of the Respondent, of the 3d October, 1814, it is said, "the prices of woollens are now fully as high as they were when your spring shipment was made, this is owing to the very high price of the raw material. Cotton goods are rather looking up, but I do not expect there will be any very great change in them. Linen goods continue very stationary."—No. 31, of Record.

Again, in a letter of the Respondent, bearing date 2d December, 1814, it is said, "the prices of coarse wool are now higher than ever they were before, of course, coarse woollens will be very high in the spring. Cotton goods are now very low, but if the American war continues there will be an advance in a very short time. Cotton yarn is now so high that the manufacturers are losing by what they are doing at the present prices for goods. In hardware goods there is little or no variation.

"Ashes and staves are now very high, the latter would now bring £200 per M. and the former perfectly sound would now command 25s. per cwt. but so much does the continuance of these prices depend on the American War that I would by no means advise you to speculate on them, unless you see your way perfectly clear."—No. 32, of Record.

The letter of the Appellant enclosing an order for goods to the Respondent to be sent in the spring, 1815, bears date the 22d November, 1814. In it the Appellant says, "I take the liberty of enclosing a small order for goods for the ensuing season, which I hope you will do me the favor of executing on the lowest terms possible to be obtained, in the selection of which I have the utmost confidence my interest will be the sole object of attention. Purchasing at the very lowest prices and from the most reasonable houses, choosing the most suitable articles and putting them up in the best order will enable me to make speedy sales, early remittances and have a decided advantage of a benefit to myself—making insurance on the amount as usual."—No. 72, of Record.

And lower down, adverting to an event which has been so frequently referred to in the course of this correspondence, the Appellant says, "if the American War is continued, it will create a considerable demand from these Provinces."

On the 1st February, 1815, the Respondent having it is presumed, previous to that time, received the above mentioned order, writes to the Appellant as follows, "You may rest assured I shall do all I can this year, to have your goods well laid in, and when they are very high, I shall either omit these altogether, or reduce the quantity you have ordered."—No. 33, of Record.

It will be observed that the respondent takes no notice in this letter of the signing of the preliminaries of Peace between Great-Britain and America, which had taken place in the previous month of December, nor did he curtail the Appellant's order in the manner in which from the understanding between the parties, manifested in the foregoing letters, and from the then