

would but for low rates and the block of traffic at Portland, but the latter would be removed in the course of a few weeks. No railway held a stronger geographical position than the Grand Trunk. The alteration of the gauge would remove obstructions to through traffic, but the weak point was the high price of coals; and he thought they could not work so cheaply as other lines, nor, at a lower rate than 65 per cent. of the gross receipts, unless the rates were higher. The company would have to supplement its capital to some extent; but he would postpone that question till March or April, when they would have the accounts of the past year. It would be necessary to lay down 250 miles of steel rails up to Quebec, although this portion of the line did not pay working expenses. Captain Tyler seconded the adoption of the report, and recommended the shareholders to sustain the chairman in improving the property. Mr. Prance said he would give the chairman his undivided support; he believed all that he had promised would be carried out, and that there was ample traffic for the Grand Trunk. It was stated that the Intercolonial Railway would not be open throughout till next year, and that the Government had decided upon altering the gauge to 4 ft. 8½ in. Mr. Slater, who accompanied the chairman to Canada, said he believed the 65 per cent. mentioned as the working expenses would be considerably reduced; he had inspected the whole of the working stock of the company, and found it in very good order, a great deal of it being as good as new. Mr. Creak moved that the best thanks of the meeting be voted to the chairman for his valuable services during three months in Canada. The resolution was carried unanimously, and the proceedings terminated.

Correspondence.

A BANKERS GUILD.

To the Editor of the Monetary Times.

In these days when insurance companies, benevolent unions, and co-operative societies abound, and almost all classes of persons find it to their advantage to unite with one or other of such associations, it has been in the writer's thoughts for some years past, to call the attention of the body of gentlemen connected with the banking institutions of the Dominion, to the expediency of forming among themselves an organization of a similar kind;—a bankers guild—having for its object, permanent assistance to the widows and families of deserted bank officers; relief to bank-officers themselves, in case where illness, old age, accident, or misfortune, may have overtaken them and rendered them unfit for any longer earning their support.

Such organizations exist in the parent land, and in the United States. The Bank of England has a pension, superannuation, and benevolent fund for its officers and their families. In our own country, the Bank of Montreal, the largest and wealthiest, has a similar fund to which all its officers on attaining a certain age are required to contribute. In several States of the Union similar organizations have been formed among the bank officers themselves. We have in this Dominion upwards of forty banks (not counting branches and agencies,) with a staff of officers numerous enough to form a guild, sufficiently large, to start with the capital necessary for such an object, without drawing at all unreasonably on the salary of any one. I will not enter into detail or calculation at present on this point. In this communication I merely wish to suggest the subject to the thoughtful consideration of my fellow bank officers, with the hope that the more prominent and influential among our number, may give the

scheme their support, and encouragement. Such a guild, or corporation, could not but have a good effect upon even the youngest bank officer.

Some may think however, that such a society is unnecessary, on the ground that any officer desirous of providing for his own old age, for accident, or infirmity, or for his family after his death, can do so by taking a policy in one or other of the many insurance societies now in existence for those subjects; but many objections present themselves to that course; the rates of premium are high, and the restrictions annoying; and then there is the chance that after paying premiums for many years, he may learn on his death bed, that the Society whose policy he had collapsed the day before. Such things have repeatedly happened with English Societies; they are occurring every day with United States Societies. The columns of the "*Monetary Times*" for weeks past have been exposing the rottenness of company after company; some having failed outright; others having misappropriated their funds; and others again having submitted false statements of their condition. The writer has in his possession a printed circular recently put out by the agents of one of the largest and most influential Life Societies in the States, in which another Life Society, apparently as large and as influential, is directly charged with so mis-stating its exhibit as to show a surplus of nearly \$120,000, when in reality there was a deficiency of \$80,000. If such is the fact, what must be the feeling of some who are insured in that Company, they must almost be wishing for their death to happen as speedily as possible, that their widows and orphans may realize before the collapse takes place.

A co-operative guild, which should be a benevolent fund, and pension fund, and life insurance provision, could be conducted with very little expenditure, in connection with one or other of the leading banks, and the members contributing to it would have the satisfaction of feeling that their funds were secure. The foregoing is thrown out in the hope that it will attract the attention of other bankers, so that by writing the subject up all necessary information may be obtained from those favourable to the scheme, and steps at length be taken to carry it out as may be considered most advisable.

St. John, N. B., 23 Feb., 1874.

SERVED HIM RIGHT.

To the Editor of the Monetary Times.

DEAR SIR,—It is seldom indeed that retributive justice is visited so speedily upon the head of the delinquent as in the case of one Julius Cadarette, of Stoney Point, an absconding debtor. This individual did a snug and easily managed business in the village of Stoney Point, which is distant from Chatham about 19 miles, and appears to have been making a comfortable livelihood for himself and his family. In an evil hour, he came to the conclusion that he was not making money fast enough, and contrary to the advice of his wife, who appears to have made some effort to keep him in the paths of rectitude, he determined to defraud his creditors. It proved an easy matter to find two men who call themselves respectable, to assist him in his nefarious practice, and at the dead of night in the pouring rain, these worthies conveyed the entire stock with the exception of a few barrels of lamp chimnies, &c., to Windsor in the sleighs of these two respectable worthies, for transportation to the other side of the line. Not content however, with swindling his creditors, Cadarette was desirous of taking what he could out of Uncle Sam, but the U. S. officials on the Detroit river were too sharp for him.

They detected his false entries and the whole of the goods and money in his possession to a considerable amount were seized and confiscated, and Mr. Cadarette himself, placed "in duranceville, deprived of a Briton's birthright." The latest information received is to the effect that he has been tried by the United States authorities for smuggling, and sentenced to five years in the State Prison. The total liabilities of this man did not exceed twelve hundred dollars, and he owned the small place he did business in subject to a mortgage for part of the above. He had every prospect of doing a moderately paying business, but by his flagrant dishonesty he has, to say nothing of the loss sustained by his creditors, brought disgrace and ruin upon himself and his family, and there can only be one opinion in regard to the matter, and that is it "served him right." Yours truly,

ONE OF HIS CREDITORS.

London, Ont., 28 Feb., 1874.

WAREHOUSING.

To the Editor of the Monetary Times.

DEAR SIR,—As a fitting corollary to your leading article in your issue of the 20th inst., on "High Rates of Interest," I think an article treating upon the system of "Warehousing" or as I call it "Wholesale Pawnbroking," would be most desirable. I do not know if your attention has been called to it, but several insolvencies within the last twelve months with which we have had to do, has shown up a frightful state of things in our midst, which unmistakably will grow and increase, bringing the entire system of credit to a state of complete rottenness. I will give you a brief sketch of it. I am a wholesale grocer, and I have a lot of paper to meet next week, my line at my bankers is filled up, I instruct a broker to look me out a parcel of teas of good quality, a sample is submitted, I buy, say \$10,000 worth, place the goods in a bonded warehouse, having obtained a warehouse receipt, I negotiate with a broker an advance on same (as much as I can get), say 75 per cent. of value, costing me from 15 to 20 per cent. per annum for interest, brokerage, &c. It is frequently the very banks you write of who hold such securities largely. The victimized vendor of these goods is deceived into the notion that I am "good" because I take up my notes for his goods promptly on maturity, by repeating the dose with increased strength.

At a meeting of creditors of a wholesale grocer here not long ago, whose liabilities were within a trifle of \$100,000, the Insolvent on being asked the question stated he had \$135 cash capital when he started. It is needless to say he had discovered the golden road to unlimited credit, and used "warehouse receipts" to an unlimited extent.

It is surprising to me the Dominion Board of Trade did not touch on this matter. As the simple precaution of requiring licensed warehousekeepers to announce the receipts issued in some public manner, say by a weekly report to the Customs Department or in the public papers, would at once stop this evil.

That it is rapidly on the increase here, there is no question. Our police reports this month, give startling prominence to a case of stealing goods from employers, the thief turning the goods into cash in just this manner.

Hoping to see a *live* article on this head from you. I am dear sir, Yours truly,

EDWARD EVANS.

Montreal, 28 Feb., 1874.

—The total revenue of the Dominion for the six months ending 31st December, 1873, was \$11,540,805.85, and during the corresponding period of 1872, \$10,394,394.19, showing an increase in 1873 of \$1,146,481.66.