

points was 5½c as compared with 5½c per bus. on July 17. There is evidently no money for shippers in rail rates at present.

Indian corn has been a somewhat indifferent factor in the market. Any pressure to sell has resulted in visible weakness; and any anxiety to buy has culminated in higher quotations. This cereal has sympathized with wheat in its movements as to price, but has not shown that inherent strength of late which it did a week ago. This is due, of course, mainly to the favorable prospect for a harvest, the weather having proved excellent.

The local flour market is rather weak than otherwise. Stocks have been in excess of demand, and the excellent quality of the new crop flour has been shown up so that prices have been affected unfavorably, rather than otherwise thereby.

On Saturday the market declined sharply; there was some reaction, but lower cables and favorable weather the world over conspired to cause lower quotations.

A New Electric Motor.

If the expectations which the performance of the electric motor at Cleveland has raised are eventually disappointed, an important step will have been made toward the solution of the problem of rapid surface transportation along city streets. This Cleveland motor is said to be materially different from any with which experiments have been made heretofore, and it seems to have been successful to a much more than ordinary degree. It is not at all unlikely that it may prove to be the motor of the future for the purpose to which it has been applied. There are many advantages connected with the electric force which renders it peculiarly well suited to the needs of street-car travel. Further reports from Cleveland will be awaited with interest. There is a great field here in Chicago for the introduction of a good street-car motor, and as soon as such is offered there will be plenty of takers.—*Journal of Commerce.*

An Example to be Avoided.

When a Canadian Bank comes to grief, there is no certainty that the public will ever know the causes of the catastrophe. No public officer is required to examine the accounts and trace the losses to their source. To this moment nothing is known about the wrecking of the Bank of Upper Canada. It is known generally that the management was bad, and that when financial paralysis came, the stricken bank was found to have grasped large quantities of landed security. But the people has got no authoritative statement, in any sort of detail, of the methods which led to the ruin. We are still going on in the same way. Errors and follies, which might have been used as effectual warnings, have been repeated, with the same unvarying result.

The work of the hour is the exercise of the strong hand to put down wrongful practices. The Federal Bank furnishes an example by which any that may have been inclined to imitate would do well to profit. Some of the vicious and illegal practices of this bank are well known. Foremost among these was loaning on its own stock. This is a practice which

the law very properly forbids; but the Federal management was not merely guilty of a breach of the law: it organized defiance of the law. It could not legally loan on its own stock, so it resolved to do indirectly, what the law does not permit it to do directly or indirectly. The machinery which it set up for evading the law was permanent organization, planned with such shallow cunning, that any one could see its sinister object and foretell the purpose to which it would be applied. The net result is that \$600,000 of the new stock owes its existence to capital which had been paid in on account of the old. The 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 a long 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 a while, 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 by bitter 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 the 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 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.

Ricely the Federal Bank stockjobbers, kiteslayers 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 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.—*Monetary Times.*

Collection of Debts.

After the various failures and comparatively general depression in business during the 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 of 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 unsatisfactory security of chattel