

explanation of which one looks in vain through the company's report. It might be well to have some light upon the terms on which so considerable an item is carried in as a solid asset. The necessity of some salaried agents is hinted at, but it would seem that the agents are doing better on commission, and would scorn any salary that did not run well into the thousands. A *naïve* sentence in the report refers to "the value of these conditional profits, most of which have been included on the regular account, that they must, if not needed for expenses or dividends so limited, be invested in undertakings beneficial to the Colony—since nowhere could the company invest to better advantage than in the enterprises of the Colony."

Altogether, the operations of this concern are described in the report in terms and figures which appear rather extravagant to sober-minded people. The company, as Hamlet says, "doth protest too much, methinks;" and highly colored statements of prospective profits with so slender a basis are not likely to captivate reflecting persons or to assist the success of colonization companies in our new territories, even when they are put forth under the guise of temperance or any other deserving form of morality.

PREFERENTIAL JUDGMENTS.

The circumstances attending the failure of Gideon Morrison, lately carrying on a large dry goods business on Yonge St., in this city, will not have passed from the recollection of our readers. It will be remembered that by arrangement between Mr. Morrison and his principal creditors, Messrs. Stewart & McDonald, the latter had judgments against him for the whole amount of their claim and that of their agent, amounting together to about the sum of \$48,000, before the other creditors were aware of any trouble existing. As has been since ascertained this was accomplished, in spite of the fact that the greater part of the indebtedness of Morrison to the firm named, was represented by current paper which, at the time of the taking of proceedings, was in the hands of the creditors in Scotland. Morrison's assets not being nearly sufficient to satisfy the claim of Messrs. Stewart & McDonald, nothing was left for the other creditors, and naturally the Canadian creditors felt very much aggrieved by what had taken place.

A number of them recovered judgments for their claims and threatened proceedings to test the position of Messrs. Stewart & McDonald. Those gentlemen, however, adhering to their position and showing no indication of any intention to consider at all the claims of the other creditors, the idea of testing their right to take all Morrison's assets was abandoned by all the creditors, except Messrs. John Macdonald & Co. The latter firm began the proceedings necessary to test the validity of the last of the six judgments held by the Scotch creditors, being a judgment for the unmatured part of their claim.

The trial took place at the autumn assizes for Toronto before Mr. Justice Armour. The learned judge having reserved his decision, subsequently rendered it in favor of Messrs. John Macdonald & Co. The ground upon which His Lordship rested his decision was that what had taken place amounted to a transfer or assignment by the debtor to Messrs. Stewart & McDonald of his assets to secure their claim, the firm named having been the purchasers of his stock at the Sheriff's sale and the evidence disclosing that it was the intention from the beginning that they should purchase the stock.

Messrs. Stewart & McDonald thereupon brought the matter before the full Court of

Queen's Bench, where it was argued during last term. That Court has just now rendered judgment reversing the decision of Mr. Justice Armour, who however adhered to his original opinion and delivered a dissenting judgment. Whether the matter will be carried any further remains to be seen. In any event the chances of the present law being held sufficient to reach any case of preferential judgments do not seem particularly bright. As remarked by Mr. Justice Armour, if the law does not cover the present case it should be repealed, because it serves, as interpreted by the Court, no good purpose. It professes to give relief which in reality it does not give, and may justly be said to be a snare to lure aggrieved creditors into spending money in attempts to get that redress which the law denies.

UNION LOAN AND SAVINGS COMPANY.—This Company's eighteenth annual meeting has been held, and the Statement shows a very fair year's business. Loans on mortgages are \$100,000 greater, while there is rather more cash in bank. On the other hand, deposit liabilities are slightly greater, and debentures have increased from \$64,000 to \$114,000, about £10,000 of these are sterling ones. The nett revenue, which was in the previous year \$82,000, is nearly \$78,000 in the statement before us. The movement of deposits, however, must be found by the company, we should think, rather too lively. The company added \$18,000 to Reserve in 1881-2 out of earnings; they have increased that account this year by \$10,000 only, but place a larger sum than usual to Contingent account. A feature that deserves notice and commendation is the resolve of the meeting to keep adding to its Rest until that fund reaches 50 per cent. of the paid stock, although the by-laws permit the division among shareholders of any reserve profits which exceed 25 per cent of the paid stock. It is intended to appoint an advisory board in Scotland which shall facilitate the sale of the company's sterling debentures. But although the investment in Manitoba of some capital so obtained, is hinted at, it is in cautious terms and as if values of land in that province have hardly yet, in the opinion of the board, sufficiently settled down.

TRADE WITH BRAZIL.—The Consul General for Brazil, Mr. Bentley, writes to the Montreal papers giving a synopsis of six months' trade between that country and Canada, showing a considerable increase of trade compared with a similar period before the subsidized steamers began plying. He takes the following from the *Blue Book* for 1882, the figures refer to the six months ended with June last, and the like period of 1881. Imports from Brazil:—

	1881.	1882.
Tapioca.....	nil	\$ 6,392
Coffee, before duty taken off	410,134 lbs	352,929
Coffee, after duty taken off	811,606
Drugs	nil	801
Sugar above No. 14, Dr. 14	nil lbs	1,245
Sugar 9 and not above 14	564,924	1,308,744
Do. below No. 9	23,035,951 lbs	35,295,288
Melado	nil lbs	289,955
Molasses	nil gal	745
Hides	nil	2,378
Cotton wool	nil lbs	8,135
Gutta Percha	nil lbs	263,142

Total value of imports from Brazil\$1,328,316

The increase shown by this list in coffee and sugars is very decided, while tapioca, drugs, melado, molasses, hides, cotton and gutta percha have been imported direct for the first time. Mr Bentley states, with respect to these goods, that

the importers are so satisfied with the articles and prices that they have continued their orders. With regard to our direct exports to Brazil, these are shown for fiscal year 1882 in the following table. The aggregate value is increased by \$174,000 or 35 per cent. over the value of the exports the year before.

Produce of the mines.....	\$ 700
" " fisheries.....	414,146
" " forest	27,041
Animals and their produce.....	1,348
Agricultural produce.....	19,967
Manufactures	29,583
Not products of Canada.....	764

Total Exports.....\$493,549

—The St. John Board of Trade met on the 15th inst., Sheriff Harding in the chair, when Mr. Thorne, for the Committee on Bankruptcy, reported it as unanimously in favor of a law for the equitable settlement of estates, embodying the principles of the communication from the Montreal Board of Trade. But the report closes with the recommendation that there shall be no provision for composition in Bankruptcy. Discharge, it is therein proposed, shall be had only from a District Judge in Bankruptcy upon satisfactory report as to the insolvent by his assignee and inspectors. Upon the question of Intercolonial R. R. freight rates, it was suggested that "Upper Province manufacturers and merchants were aiming to get the best rates they could over the road," the inference being that Lower Province merchants should do the same. Mr. McGoldrick said that he had got goods from Montreal at 33c. freight, while sending a like class of goods from St. John to Montreal cost 47c. That showed there was discrimination against St. John. Mr. Emerson, on the other hand, although two years ago he had found the rates against St. John as compared with Montreal got the matter arranged to his firm's entire satisfaction on application. Thus, they had no difficulty in competing with Montreal and laying down their goods there. On motion of Mr. Estey a committee, consisting of the President and Messrs. W. H. Thorne, T. W. Daniel, S. S. Hall, J. H. Parks, George Bent, Chas. Masters and the mover was appointed to look into the Inter-Provincial rates and to secure if possible, a local agent in St. John. The annual subscription to the Board was raised from \$10 per annum to \$20 and regular monthly meetings were resolved on.

—The removal of the tax on bank capital and deposits, observe the New York *Shipping List*, not only relieves the banks from an unjust burden, but it does away with a very objectionable form of multiplied taxation. Deposits are largely represented by checks and drafts, which often swell the deposit accounts of three or four banks before they are paid and become actual money. A Western bank may receive on deposit a draft on New York for \$1,000. This it sends to its corresponding bank in Chicago, which sends it to its correspondent in Boston, whence it is sent to New York, and finally collected through the clearing house here. In this way it has swollen the deposit of four banks, and for taxable purposes the \$1,000 practically stands for \$4,000.

—Nobody can really tell what loss of revenue the U. S. Treasury will sustain through the tariff and internal revenue reductions. But it is within the bounds of possibility, that there will be no surplus; and if there be no surplus, a halt must be made in the reduction of the debt. A year's experience of the new tariff may not impossibly necessitate another change, for revenue reasons alone.