

Edgar v. Central Bank, 15 A.R. 200. The court in that case was equally divided, and in consequence the judgment of the judge in the first instance was upheld and the appeal dismissed. The question which I have now to consider was not raised in that case, and in giving judgment Burton, J. A., who was one of what may be called the majority, says:— "This case does not call for an expression of opinion as to sec. 9, which gives an effect to the assignment which savours more of bankruptcy than any to which I have yet referred, but I prefer reserving my opinion until some case arises which renders it necessary to place a construction upon it." In the same case Paterson, J. A., who agreed with Burton, J. A., in upholding the judgment, states: "This (sec. 9) strikes me as being a very peculiar enactment. It certainly conveys the impression of providing for something beyond the scope of a voluntary assignment by a debtor, and it thus introduces a new consideration into the *ultra vires* discussion. It cannot, however, affect in any way the claim of this plaintiff against these defendants, and it will be the safer course to reserve the discussion of it until it becomes more directly in question." After these judgments it is impossible to say that the question which is now before me has been decided. In *Clarkson v. Severs*, 17 O.R., Boyd, C., says:—"If it be the right construction under sec. 9 that it passed the money to the assignee for creditors, that is giving a higher right than the debtor had, and it strikes me the provision would be *ultra vires* as being a bankruptcy provision." The section in question is as follows:

"An assignment for the general benefit of creditors under this Act shall take precedence of all judgments and of all executions not completely executed by payment, subject to the lien, if any, of an execution creditor for his costs, where there is but one execution in the sheriff's hands, or to the lien, if any, of a creditor for his costs who has the first execution in the sheriff's hands."

It appears to me that this is conferring on the assignment a much greater effect than the assignor could himself have exercised. At the time when the assignment in the present case was made there were two executions in the sheriff's hands, and the goods seized by him were about the value of \$8,975, which were more than sufficient to pay the judgments. After the seizure had been made claims were made by two parties as chattel mortgagees, and the question now is whether or not the assignee is entitled to take these goods out of the possession of the sheriff. It is manifest that the assignor himself had no such authority, and it appears to me that that being the case he could confer no such right on his assignee.

By the words of the statute itself, it is plain that the provisions are to have effect only in cases of insolvent debtors or persons on the eve of insolvency, consequently to attribute to an assignment under the statute a power to remove goods in the hands of the sheriff under execution against an insolvent must, in my opinion, be considered as an Act relating to Bankruptcy and Insolvency, which, by the 21st sub-section of section 91 of the B.N.A. Act, is exclusively vested in the Dominion Parliament. The order made originally by the learned Master in Chambers must be set aside with costs, and the goods restored to the custody of the sheriff.

—A new scheme has been proposed by the Can. Pacific Railway for attracting tourists to Canada. A number of oil paintings will be obtained of scenery along their line, especially in the Rocky Mountain division, and sent to all the noted picture galleries of America and Europe. This, they think, will attract the attention of tourists to the Dominion.

## THE CENTRAL BANK LIQUIDATION.

We have derived from the liquidators of the Central Bank of Canada some interesting particulars as to the condition of the affairs of this bank, and as to the amount already paid, or in hand to be paid to its creditors. Some ninety-three cents in the dollar of all the obligations has already been declared, and mostly paid. The amount collected by the liquidators up to date is \$1,800,336, and the amount already paid in cash aggregates \$1,629,126. The dividends paid in cash amount to \$1,422,388. And the expenses of realization have thus far been \$118,466.

We learn from the liquidators' statement that they have

In cash at their credit in the Canadian Bank of Commerce	\$56,839 28
Cash on hand for deposit	574 34
Dividends declared and unpaid	6,130 00
Circulation unredeemed	2,627 50
" redeemed	149,800 00
Claims filed and allowed are	1,744,835 49
" set off against liabilities	154,267 36
" paid in full on judgment of court	55,508 44
There is yet due to claimants	112,671 61

Some contributory matters are still in suit, and others in process of settlement. One claim against the bank by the Canada Shipping Co. is in appeal.

The receipts were:

From double liability of shareholders	\$302,190
" current bills	524,499
" dishonored bills	529,996
" overdrawn accounts	177,584
Insolvent estates	186,537
Interest	55,858

Certain life assurance premiums have been paid in order that the liquidators might preserve the securities they held. "No computation of values of unrealized assets has been made, that no one may be prejudiced by any disparagement of his solvency." And interest was not computed on unrealized assets, the value of which is subject to change. When we recall the predictions freely made that no more than fifty cents on the dollar would ever be realized by creditors of this ill-starred concern, praise must be given to its liquidators for the patience, forbearance and skill with which they have thus far performed a difficult and tedious task.

## IMPLEMENT FIRMS AMALGAMATE.

An amalgamation of the interests of the Massey Manufacturing Co., this city, and that of the A. Harris, Son & Co., Brantford, has been completed. The nominal capital is fixed at \$5,000,000. In future the business of these companies will be conducted under the style of the Massey-Harris Co. (limited). This consolidation of interests is an important one, as every one who has paid the least attention to the business of making agricultural implements knows that, as a whole, it has long been unsatisfactory. Few, if any, of the companies made any money the last two or three years. Indeed, several of them have failed, and during the winter two very old and respectable companies thought it best to wind up and save what they had, if anything remained. Under these circumstances, the new arrangement between two important concerns cannot fail to benefit all directly interested, now the new company will have all the advantages of both the old concerns. It will possess all their patents, their combined experience, and, we presume, the best methods of both will be adopted. Thus the cost of production may be lessened. A larger saving will also be effected in the sales department, for fewer agents will be required, and doubtless only the most efficient

will be retained. A corresponding reduction may also take place in the number of warehouses and offices. All the savings thus effected will not reach the shareholders' pockets, much as they may expect it. At least, such has, in the end, proved to be the experience of similar combinations; and it is well that it should be so. The chief place of business of the Massey-Harris Co. will be in Toronto. It appears likely that the old shareholders will practically control the new company, as the provisional directors and applicants for the charter are: H. A. Massey, Alanson Harris, J. Kerr Osborne, Lyman M. Jones, W. E. H. Massey, J. N. Shenstone, C. D. Massey and T. J. McBride.

## A CONTRAST.

A correspondent in Galt was good enough to call attention some days ago to a paragraph which appeared in our Summary columns on April 24th, respecting two failures in that town, as lacking in due perspective. He considered that the impression naturally left upon the mind of a reader by the sentences concerning Messrs. Dakin, the brass-founder, and Strickland, the dry goods dealer, respectively, did less than justice to either. And he suggested that further enquiry into the circumstances of these two failures would lead us to modify our slight strictures in the one case and occasion more severe comment in the other.

We have accordingly sought, from independent sources, further light, and now give the conclusions of our later correspondents. The cause of Mr. Dakin's troubles appears to have been want of sufficient capital of his own at the outset, the buildings and plant having been mostly purchased with borrowed money. Also, lack of judgment as to the extent of his ability to turn over stock. He consequently bought too heavily of gas fixtures, etc., on credit, in the hope of realizing on them in time to pay bills at maturity and pocket a good margin. After keeping afloat for eight years he was suddenly, and, it would seem, unexpectedly, cornered by bankers and creditors outside. He considers he can pay 100 cent in the dollar, but the assignee is not prepared to guarantee over 75c. on the dollar, which is a comparatively good showing. Mr. Dakin's best market was at home, where he supplied special brass goods to local foundries. Not content with this, he often travelled throughout western Ontario to extend his trade, but came into competition with larger concerns at Toronto and Montreal, and in this way probably spent more than the business obtained warranted. "He is deserving of success," says one writer, "for he is steady in his habits, also young, energetic and ambitious."

Quite another story is told of Strickland, whose business methods seemed peculiarly reckless. He started as a dry goods salesman, inherited \$3,000 at his father's death a few years ago, and bought out a merchant tailor's stock. Having continued this business about six months, he sold out and started again in another stand in house furnishings, which lasted a year or more, when he sold out again, and opened out in another part of the town with bankrupt stocks. He sold this business within a month, and is said in each case to have sacrificed. "Strange to say," the correspondent goes on, "his credit with wholesalers always appeared good. The last and crowning act I heard of was the purchase of goods at four months, that were almost immediately after delivery here sold to a local