# THE TRADE REVIEW

AND

## Intercolonial Journal of Commerce.

MONTREAL, FRIDAY, NOVEMBER 26, 1869.

See Advertisement of Moccasins for sale.

Purchasing Department of the TRADE REVIEW.

See Advertisement.

### BANK RETURNS.

THE following is a comparative statement of the total Assets and Liabilities of the Banks of Quebec and Ontario, for October and the previous month:—

LIABILITIES.

| | Sept. | October. |
|---|---|---|
| Circulation ........ ...... | $ 8,161,724 | $10,392,840 |
| Balances due other Banks .. | 1,103,597 | 987,405 |
| Deposits not bearing interest .. | 14,597,208 | 16,355,924 |
| Do. bearing interest .. | 23,478,656 | 25,376,384 |
| Total Liabilities............ | $47,638,094 | $53,112,551 |

ASSETS.

| | Sept. | October. |
|---|---|---|
| Coin, Bullion, and Prov. Notes. | $9,219,273 | $11,220,874 |
| Landed or other property of Bank......... ........ | 1,597,816 | 1,597,617 |
| Government Securities ........ | 4,602,143 | 5,886,208 |
| Notes of other Banks.......... | 1,880,312 | 1,978,225 |
| Balances due from other Banks | 6,148,228 | 6,068,870 |
| Discounts...... ......... .... | 65,605,149 | 67,925,993 |
| Other Debts...................... | 2,761,614 | 2,746,032 |
| Total Assets................ | $91624,,634 | $97,423,819 |

We find, as it was to have been expected, a very considerable increase in the bank note circulation, amounting to $2,241,116. There are also in circulation, according to the official statement, $5,821,000 legal tender notes; but as a proportion of this amount is held by the banks, and this proportion is not stated by the banks in their returns, we are not in a position to say what is the actual amount of paper money in circulation. Both as a matter of interest to the public, on this point, and also that it might be known how much gold was held by the banks, it would be well if they were obliged in their returns to separate provincial notes from specie. At present we are left completely in the dark.

There is a still further and a very large increase in the deposits, as compared with September, amounting to $3,656,443, of which nearly two millions bear in-



terest. This does not look like the impoverishment of the country, of which we hear so much.

Looking at the assets, we find an increase in the reserves of $2,000,000, in Government securities of $1,334,000, and in discounts of $2,320,000.

The expansion shewn in the increased circulation is not at all excessive for this season of the year, and due to the moving of the crops to market; and speaking generally, the returns may be considered as very favorable, indicative perhaps of some little stagnation in trade and commerce, but also of a steadily increasing accumulation of capital.

### FOREIGN INSURANCE COMPANIES.

A HIGHLY important case was tried in the Superior Court last week—"John Redpath *et al. vs.* the Sun Mutual Insurance Company of New York."

The evidence is very voluminous, much too long to be given in these columns, but we do give, somewhat abridged, the charge to the jury of Mr. Justice Torrance, before whom and a special jury the case was tried.

Suit was brought by the plaintiffs to recover insurance which they claimed to have effected in January, 1855, on a cargo of molasses shipped to them in the *Thomas Connor*, from Cuba, the *Thomas Connor* never reaching her destination. Their declaration was to the effect that they had had a policy on the molasses in another insurance company, which failed about that time; that Mr Theodore Hart was agent of the Sun Mutual Insurance Company of New York; that on the failure of the Columbian Company he solicited their business; that they made application to Mr. Hart, and that he gave them to understand that they were covered until he should hear from the head office, and that the *Thomas Connor* was lost before they were notified of the refusal of the Sun Insurance Company to accept the risk offered.

The plea on which the defendants principally relied was that Mr. Hart, who represented the Sun Insurance Company in Montreal, not only had no power to bind the company, or to effect insurances without the consent of the officers of the company, but that the company itself, from its charter, had no power to grant policies of insurance elsewhere than in New York. It will be seen that they were sustained in this plea by the Court, quite irrespective of the question of fact as to whether Mr. Hart had given plaintiffs reason to believe themselves covered during the interval between the application for a policy on the *Thomas Connor* and the rejection of their application by the Sun Company.

We cannot but think that the ruling of the Court was just, both according to law and equity; and that it would have been altogether contrary to justice to have held the company bound by the unauthorised acts of its representative.

The special importance of the case consists in the decision of this point; and it at once becomes a question for the cautious consideration of those in the habit of obtaining through "agents" policies of insurance from foreign companies, whether they are covered or not during the period of transmission of their application to the head office for acceptance or rejection. Insurers will have to make themselves not only acquainted with the powers granted to agents, but also with the powers of companies as defined by their charters, to appoint agents at all. A careless way of doing business has grown up, and it is time a decision like that given in this case should put a stop to it.