

The moral hazard occupies as prominent a place in the perils of farm insurance as in those of any other branch. It is singular what combustibility there is about the tenements of mortgaged farms; how "the lightning" levels the barns and sheds of farmers in debt, and how their "enemy" often chooses the moment of their greatest financial straits to apply the torch. The great success of the Agricultural is largely due to the fact that its revenue was built up from a business in the prosperous and wealthy farming community which surrounds its headquarters. In some other sections of the country, we venture to assert that similar results could not have been realized.

In Great Britain, the history of farm business has not been favorable. The experience of thirty-two companies, extending over ten years, shows a complete absence of profit. The Royal Farmers', with twenty-five millions at risk, lost 33 per cent. more than its entire premiums in 1869, and 68 per cent. more in 1868. In the United States, where some of the farm mutuals have expanded to immense proportions, great numbers of them have fallen into hopeless insolvency. The attractions of farm underwriting are, therefore, more imaginary than real. It implies a very great deal of risk for a very small consideration; and if there is money in it at present rates, the fact has yet to be satisfactorily demonstrated.

CREDIT VALLEY RAILWAY.

It is proposed to build a narrow-gauge railway along the valley of the Credit river, connecting with the Toronto, Grey and Bruce Railway at Orangeville, thence following the course of the Credit to Streetsville, and across the township of Toronto and the Humber river at Lambton to the city of Toronto. A branch is to be built from Streetsville to Milton, the county town of Halton. Brampton will be reached *en route*, or perhaps by a short branch.

The mills and manufactories on the Credit which used to do a large business, have been cut off by railways from the supplies which at one time made the motive power on this river the most valuable in Upper Canada excepting that of the Grand River. A line of railway which will place these numerous manufacturing establishments and mills in a position by which their owners can avail themselves of railway facilities to the city of Toronto, and to the counties of Bruce, Grey and Wellington, should add largely to the commerce of Toronto, increase the value of property on the line of route, and be the means of drawing to the mills a large trade in grain from the counties of Bruce and Grey, which otherwise might seek the water

for mills east at points on Lake Huron, or find its way to the mills on the Grand River by the Wellington, Grey and Bruce Railway. For the county of Halton and Milton, this scheme offers peculiar advantages. Milton, already a town, would become a centre of great activity, and, supplied with a railway, banking facilities, &c., and having some milling power, would probably, in a few years, treble its present assessed value. The townships along the route would derive great advantages. Thriving villages make excellent neighbors to industrious farmers.

The capital is to be raised by bonuses from the municipalities to be so largely benefited, and by stock and bonds. As this Credit valley railway scheme cannot fail to benefit so many people, we trust the promoter, Mr. Laidlaw, will succeed in this matter as well as he has with the railways now building, and that he himself will share in the success of his enterprise.

THE EUROPEAN WAR.

The present war in Europe began so suddenly that none of the nations not engaged in it had the opportunity to forecast proceedings to protect their respective revenues from the results that have invariably followed expensive and continued wars, nor had the commercial world time to prepare for probable contingencies. In the condition of the world, with its numerous and powerful facilities for communication and transportation, as compared with those of the time of the first Napoleon, war is more destructive and more fatal, and trade and commerce are more certainly and more ruinously affected than in any former time. Armies are greater, more efficient, and more rapid in their movements, and consequently more fatal in their effects to both life and property.

The armies now in the field, and the non-combatants employed to provide for their sustenance and support, comprise not less than two millions of men, who have been removed from their usual avocations of peace—changed from producers to mere consumers. They are the pick of their countrymen, most of them in the prime of life, and, as producers, much more effective than their fellows who remain at home. As consumers, they will be at least twice as costly now as before the war. A soldier during a campaign is a hungry animal. In his own country he becomes voracious, in an enemy's country destructive. The Prussian soldiery, in the vaults at Epernay, probably destroyed as much champagne as would at home have bought a twelvemonth's supply of their common daily food. If we suppose the war to continue only six months, it is certain that the unnatural consumption of stocks of all

kinds will have reduced them to so low an ebb that they could not be replaced by the hands that made them in less than twelve months. But the hands that made them will not be found when the war shall cease. Dead, disabled, and demoralized, the population of both France and Prussia will return to their ploughs, their mines, their looms, and their wine-presses, reduced in numbers, weak, and unwilling to resume their inglorious labors.

Other causes are at work that will seriously affect the productive powers of both Germany and France. Every successful manufactory, has had its struggle to achieve a remunerative position. Its workpeople have to be educated, and time is required to obtain cohesive power. Its channels of commerce have been disturbed and blocked up, and they cannot be re-occupied instantaneously. In some cases they will be changed, in others reopened. All these preparatory proceedings will occasion more or less delay to the resumption of trade and commerce, on a scale like that held before the war.

It is not, however, the belligerent countries alone that will be affected. Uncertainty is almost as prejudicial to production as absolute decay. Supply and demand are never commensurate. Accumulated stocks affect both; and stocks will not be accumulated when those who would hold them, cannot tell whether they may be able to sell them in six, twelve, or twenty months, if at all. Therefore the great depots for the continent of Europe, that exist in England, for woollen and cotton, for iron and coal, will be gradually reduced.

If the war cease as suddenly as it began—indeed, whether it cease suddenly or not—importers in British America, and especially in the Dominion of Canada, must be prepared to pay increased prices for the goods they import. Yet good and evil are so inevitably mixed in all earthly matters, that Canada may be greatly benefitted by the war. Her exports being of raw produce, would be first to rise in value, and under the benign influence of peace, they ought to be materially increased. The war will certainly increase emigration, add to our population, and tend to enhance the value of our lands.

An influential Delegation from Owen Sound waited upon the Directors of the Toronto, Grey and Bruce Railway, last week, respecting the proposed extension of the railway to that town. It is reported that the directors were firm in their determination not to go on with the extension, unless the County of Grey grants \$400,000. We believe the delegates left fully satisfied that the county must come up to the mark, and quite prepared to re-exam-