

expended upon it to put it in a condition of efficiency to handle the business now coming to it and the management is deserving of great praise for having made the excellent showing that they have done with the road in its present condition. Those who buy this stock on the breaks and are patient will, we think, make good profits.

The market has been under pressure all day according to reports from the Waldorf-Astoria "clique," and the room traders who are desirous of covering some of their short contracts. It closes heavy.

P.S.—In Letter of October 22nd, your compositor substituted the word "accepting" for "excepting," thus making me say the contrary to what was intended, and making it appear that the Commission appointed by the President "accepted the recognition of the union." This is not so.

LONDON LETTER.

London, 16th October, 1902.

FINANCE.

Parliament is on the point of reassembling for that rare thing, an autumn session. Vast amounts of legislative business are to be got through, and amongst other things we expect to hear definitely what the Government intends to do with regard to taxing the Transvaal mines.

Mr. Chamberlain's statement is being anxiously awaited, but whatever he says will not get over the undeniable scarcity of labour on the Rand and the check to speculation which results. The new Transvaal tariff which comes into force almost immediately is certainly a concession to the mining interest, but of itself though valuable, this swallow will not make a summer in this winter of our financial discontent.

Mining engineers have been turning the dull time to account in some instances, and in one case they have been discussing amongst themselves the necessity of less looseness in the use of particular terms in their reports on properties. "Ore in sight," in particular, has been weighed in the balance and found wanting in uniformity. Therefore, it is urged that mining engineers in future report should differentiate between ore actually "blocked out," that is, exposed on three sides, and ore which, although not "blocked out" may reasonably be supposed to exist.

Further, it is urged that in making use of the term, the engineer should show that the ore so denominated is capable of being profitably extracted under the working conditions prevailing in the district.

Rigid observance of some such series of rules and definitions would go a long way towards lifting from the backs of mining experts the stigma of dishonesty and incompetence which has gradually settled down upon them. The genuine mining engineer welcomes the changes as much as the false article dislikes them.

Each year we are presented with some interesting statistics by a lynx-eyed Inspector-General, on the administration of the Bankruptcy and Deeds of Arrangement Acts. The return for last year has just been issued and shows a noticeable decrease in those particular losses which are the direct result of trading, as opposed to outside speculation. Altogether, however, the estimated loss to creditors last year amounted to over forty million dollars.

In trade and commerce generally, the tendency is nearer a sort of standstill than has been the scheme for the last four or five years. Even the accidental boom in coal shorts, owing to other people's tribulations, has begun to fall off.

Taking our national finances into my survey I find expenditure still greatly exceeding the estimates. The first half of the United Kingdom financial year came to an

end with the close of September. The estimated expenditure for the whole twelve months ending next March is \$881,500,000; the actual expenditure for the first moiety of that period has been \$497,500,000.

Views here upon the settlement which the Government has concluded at with the Morgan shipping combine are diverse. First of all, of course, there is the political division. The House of Commons' Opposition naturally finds the agreement a bad one because—well, because the Government has done it. On the other hand the Ministerialists and their press supports find it, like every other measure of their side, wholly beautiful.

Business men, who are becoming a specialized party in themselves, generally like the view that the negotiations are satisfactory and their outcome a fair settlement of a difficult problem.

Scotland's whiskey trade seems to be approaching another serious crisis resembling the Pattison debacle four years ago. The increase in bonded stocks goes on uninterruptedly. In 1898 there were 80,000,000 gallons of Scotch whiskey warehoused. This figure has steadily increased to the present figure of 120,000,000 gallons. This is despite a fair increase both in exports and home consumption. There is thus palpable overproduction with all that the term implies.

INSURANCE.

At one time insurance companies' financial years used to have all sorts of arbitrary endings and satisfactory comparison between the trading of a year ending with December, and the trading of one ending with February or June was impossible.

Gradually, however, these idiosyncrasies are being cleared away. Taking a recent example, the Yorkshire Fire and Life used to close its accounts with February. The last report, however, makes a change and closes everything up by the end of the year.

Accordingly, the present "résumé" of trading, etc., only represent the result of ten months—for this occasion only.

This is a Company which is so fortunate as to have a fairly steady loss ratio in its fire department. Each year it is round about 53 and 57 per cent., the latter being the figure for last year.

Frauds on insurance companies are not confined within the limits of this tight little island, but the domestic crop here is a never-failing one. Talking with a fire insurance manager lately, I was informed that whilst the big fires where incendiarism was suspected were fewer in number the little doubtful blazes were greater in number than ever.

Thousands of dollars are regularly paid away, because it is not thought worth while to take the cases into court. In a minor degree this is true also of life assurance and accident frauds. The sensational break down of the Port Erie case, where an attempt was made to get \$50,000 on an accident policy, was a blow at this kind of thing. The last big life assurance fraud was that of an Austrian baron who enjoyed the proceeds for a year or two and then committed suicide to avoid exposure.

Fires have been frequent lately and in one case the blaze deserves particular mention. In Lincoln's Inn Fields, an old square in the heart of London, there stands amongst a multitude of lawyers' chambers, an early Victorian house in which is stored for public edification, Sir John Soane's collection of pictures and works of art generally. For instance, there you will find a fairly complete collection of Hogarth's original cartoons.

Despite elaborate precautions a fire broke out there last week, but luckily the damage was confined to a comparatively unimportant upper storey. The building and contents are covered with the County for the comparatively small sum of \$71,000.