The showing for this year is the more significant when it is stated that while 1887 had the great bank failure to account for the amount of its failure list, no such disaster occurred in 1890. We must, therefore, look elsewhere for the causes. Referring to the division into provinces, it will be seen that while Ontario has suffered very little more than in the first half of 1889 ($3,447,000 against $3,259,000), Quebec has doubled her quota, the failures in that Province aggregating $6,148,000 in the six months last past, as compared with $3,224,000 in the first half of 1889. None of the other Provinces show very marked increase.

In looking into the causes of failures, it is of very little use to enter upon an analysis of particulars when the main facts are so patent. There are too many in business; credit is too cheap; the scale of profit is inadequate as a rule. The general manager of the Merchants' Bank declares that in "many departments of wholesale trade the credit given and taken is unreasonably long; bad 'or the buyer, bad for the seller, and not good for the consumer. It is one chief hindrance to success and prosperity. Capital is frittered away by it and the labor of years lost." And he adds, "if there is one thing that calls for attention, for persistent labor, and even for sacrifice, until things are put on a better footing, it is the credit system of Canada."

According to the circular issued by the Mercantile Agency of R. G. Dun & Co., the number of failures in the United States for the first six months of 1890 was 5,385, with liabilities of $65,319,000, as compared with 5,603 failures, liabilities $65,828,000, in the corresponding period of 1889. This shows a decrease of failures, whereas in Canada we have a large increase. The opinion of Messrs. Dunn & Co., based upon returns from sixty officers, in some twenty States, is that "the outlook for the remainder of the year is very hopeful," and that "crop expectations at this time (first week in July) are generally favorable."

FALSE TRADE DESCRIPTIONS.

The recent exposure of irregularities in the application of Customs stamps to cigar boxes, by a firm of Toronto dealers, has naturally caused some excitement in the trade specially concerned, as well as in some others. Even the placid surface of official life has now been disturbed by a ripple of curiosity. This is caused by two public departments being called upon to institute simultaneous investigations. While the Inland Revenue and Customs Departments may be left to look after the interests of the revenue, those who use cigars, as well as the public generally, desire to know what protection the law provides against consumers of goods being systematically imposed upon in the manner complained of. In the present instance the allegation is that purchasers were led to buy cigars of domestic manufacture, artfully enclosed in boxes upon which Customs stamps were pasted, the object being to make it appear that the goods were of foreign production, and had been imported in a regular way.

Very few persons are aware of the extent to which the law has been improved and strengthened by recent legislation, as no important prosecutions have been instituted since the passage of the "Merchandise Marks Offences Act, 1888." During the session of that year, Sir John Thompson, in moving for leave to introduce a bill to amend and consolidate the law respecting fraudulent marks on merchandise, explained that the provisions of the existing statutes had been found to be inadequate, and he mentioned how in 1883, and again in 1886, a convention was held at which all the leading European and American nations were represented. These States, the list of which includes Belgium, Brazil, France, Great Britain, Guatemala, Italy, the Netherlands, Norway, Sweden, Portugal, Spain, Switzerland, Tunis, and the United States, adopted certain principles which were duly embodied in the Fraudulent Marks Act passed by the Imperial Parliament in 1887, the provisions of which every British colony was then invited to adopt. The bill introduced at Ottawa was accordingly an adaptation of the above Imperial Act, which, after very careful consideration and amendment in committee of the whole, finally became the law of the land, thus bringing Canada into line with the most enlightened and progressive nations of the world.

It would be tedious to recount all the new features of mercantile and international law thus acclimated; but it is *apropos* to recite such of them as have a particular bearing on the case under consideration. The Act above cited provides that every person who, *inter alia*, "applies any false trade description to goods," or "who sells, or exposes for, or has in his possession for, sale or any purpose of trade or manufacture, any goods or things to which any forged trade-mark or *false trade description* is applied"—unless he can prove that he himself is the innocent victim of deception—is guilty of an offence under the Act, and liable (*a*), on conviction on indictment, to imprisonment, with or without hard labor, for a term not exceeding two years, or to fine, or to both imprisonment and fine; and (*b*), on summary conviction, to imprisonment, with or without hard labor, for a term not exceeding four months, or to a fine not exceeding $100; and, in case of a second or subsequent conviction to imprisonment, with or without hard labor, for a term not exceeding six months, or to a fine not exceeding $250.

To fully comprehend the wide scope of the protection against fraud thus provided, one must turn to the "interpretation clause" of the Act, which states that the term "trade description" includes any statement or other indication, direct or indirect, "as to the place or country in which any goods were made or produced." The expression "false trade description" means a trade description which is false in a material respect as regards the goods to which it is applied; the expression "covering" includes any box, case, frame, or wrapper; and the expression "label" includes any band or ticket. Aperson is deemed to "apply a trade description" to goods who applies it to the goods themselves, or to any *covering* or *label* connected therewith.

THE RIGHTS OF INSURERS TO APPRAISAL.

Some time ago reference was made in this journal to an important decision of the Supreme Court of the United States on the question of the right of companies to obtain an appraisement of damage to property by fire, before suit can legally be entered for the amount of loss involved.

The case referred to was that of Robert Hamilton against the Liverpool and London and Globe Insurance Company, the plaintiff claiming an excessive damage by smoke to a stock of tobacco. The defendant company had repeatedly made request in writing to have the amount of loss submitted to appraisers. The plaintiff as often refused to consent to this unless the company would first define the legal powers and duties of the appraisers, and the plaintiff, in the face of this request of the defendant, sold the goods, thus depriving the company of its right to dispose of the property on its own account.

In the lower courts, judgment was given in favor of the defendants. The decision of the Supreme Court of the United States—the last appellant court—now confirms the decision of the lower courts, and settles at once and forever the right of companies, if they desire it, to have a loss by fire submitted to appraisers, as a condition precedent to its enforced payment. The *Argus* thus reports Judge Gray, who rendered the opinion: "The appraisal, when requested in writing by either party, is distinctly made a condition precedent to the payment of any loss, and to the maintenance of any action."

"Such a stipulation, not ousting the jurisdiction of the courts, but leaving the general question of liability to be judicially determined, and simply providing a reasonable method of estimating and ascertaining the amount of the loss," says the defendant, in announcing its victory, "is unquestionably valid, according to the uniform current of authorities in England and in this country." Scott *v.* Avery, 5 H. L. Cas., 811; Viney *v.* Bignold, 20 Q. B. D., 172; Delaware and Hudson Canal *v.* Pennsylvania Coal Co., 50 N.Y., 250; Reed *v.* Washington Ins. Co., 138 Mass., 572, 576; Wolf *v.* Liverpool and London and Globe Ins. Co., 21 Vroom, 453; Hall *v.* Norfolk Ins. Co., 57 Conn., 105,114.

As a general rule the Supreme Court some time ago ordained that "where the parties, in their contract, fix on a certain mode by which the amount to be paid shall be ascertained, the party that seeks an enforcement of the agreement must show that he has done everything on his part which could be done to carry it into effect. He cannot compel the payment of the amount claimed unless he shall procure the kind of evidence required by the contract, or show that by time or accident he is unable to do so." United States *v.* Robeson, 9 Peters, 319, 327; Martinsburgh and Potomac Railroad *v.* March, 114 U. S., 549.

—The Goderich Board of Trade met last week and passed a resolution favoring the holding of a summer carnival in Goderich some time in August, and a committee was appointed to canvass for a guarantee fund.