only 55½ in the previous year. This adverse experience has caused no inconvenience to the Company's business; it has not checked its rapid progress, the premium receipts being 22 per cent. larger than last year; nor has it prevented the addition of the sum of $50,000 to the fund described as "reserve," bringing that fund up to $150,000. The net assets stand at $276,265—the position of which are shown in the statement—an amount ample for any contingency which it is possible to foresee.

It must prove satisfactory to the shareholders to observe the low ratio of expenses. The average expenses of 180 fire and fire-marine companies, doing business in New York State in 1869, was 26.20 per cent., while the Western paid out in the same way only 16½ per cent.

We are glad to learn from a remark in the Director's report, that so much success as has fallen to the lot of the Western, has not induced the abandonment of a cautious and conservative policy, the practice of which has had much to do with achieving the creditable position in which the Company now stands. One year ago the shares appeared on the market, selling at 50; they are now worth upwards of 90. There is therefore good reason for the congratulations which were extended by the friends of the Company to the Directors, on the occasion of the festival that has become a pleasant adjunct of each annual gathering. We commend the report, to be found elsewhere, to the notice of business men.

TORONTO, GREY AND BRUCE RAILWAY.

The following letter has been addressed to the shareholders of this railway by the President, Mr. John Gordon:—

In view of recent articles in the city press, various street rumors, and many enquiries by shareholders, I deem it my duty to state that their property is still intact. Nothing has been done regarding the sale of bonds of the Company, but what they, the shareholders, can undo at the meeting called for the 12th prox., which meeting, as well as the annual general meeting on the 14th of September, I most earnestly call upon all concerned to attend, in the meantime suspending their judgment, withholding their proxies or recalling the same if inconsiderately given up. I will only add that my confidence in the ultimate success of the undertaking is as strong as ever. Everything connected with the works is going on all right. I trust that no timidity on the part of any shareholder will cause him to sacrifice his stock."

The above is the only official statement yet given to the public, respecting what is understood to be a serious difficulty among the Board of Directors of this Company. Rumor says that the Board is split up into two hostile factions, and that any immediate adjustment of the dispute is practically impossible. The chief cause of difference is stated to be the transaction mentioned by us last week, which is the negociation of a loan of $250,000 on the security of $400,000 of the Company's bonds. These bonds are returnable at the end of two years to the borrowers, on condition of their paying interest at the rate of 12 per cent. per annum, from the date of the transaction; otherwise, the bonds become the property of the lender at 62½ cents in the dollar. It is alleged on the one side that this arrangement is less favorable than one previously made with Messrs. Gooderham & Worts, and which the Board had sanctioned, by a resolution now in the Company's minutes, and which only awaited the preparation of the necessary legal documents to carry it into effect; that the matter was sprung upon the Board in the absence of the President, and two of the Directors in England, without consulting them, and that it is attempted to withhold the names of some of the parties to the transaction from the members of the Board who are opposed to it. On the other side it is contended that the arrangement above described is much the most favorable that was ever offered to the Company, and that the pre-determination of the absent Directors to carry out the proposed loan of money from Messrs. Gooderham & Worts, though, as is alleged, on less favorable terms than the one above noticed, justifies the action taken in their absence. There are other minor matters about which there is a divergence of opinion, and which serve to widen the breach between the two sections of the Board.

A special meeting of the shareholders, to confirm the arrangement entered into by the Directors, will be held early in this month, when it is expected the whole matter will be fully explained. Until then it will scarcely be possible to give a full and clear statement of the case.

We deeply regret that such a dispute should have arisen, especially at this stage, to mar the prospects of an enterprise so useful and so promising. The citizens of Toronto have supported the promoters from the first, with surprising liberality. Those upon whom the blame shall justly fall, of having stirred up the present broil, should be held to a strict account, and made to feel the full weight of the grave responsibility they have assumed.

Bound Volumes of The Monetary and Commercial Times, for the past year, ending August 15th, may be had at the Office, or will be sent by mail or express. Price: Three Dollars. There is also a very limited number of the previous volume remaining, which can also be supplied.

FINANCIAL AND COMMERCIAL REVIEW.

The produce market remains in the same dull and depressed condition as last week—an attempt made some few days ago to galvanise it into more activity having utterly failed. It would almost seem as though the "rueful spectacle of death and ghastly drere" presented by the "fair lands of France" through which the Prussian hosts have penetrated, had cast its shadow over this continent, and drawn men's attention from the quiet walks of trade. The fact, however, we consider to be this, that buyers and sellers are steadily watching the signs of the times in their own more honorable sphere, and preparing for a contest which will neither injure nor disgrace humanity.

Considerable interest has been excited by the action of the Bank of France, suspending specie payments while holding gold to the extent of 65 per cent. of its circulation. A very extensive drain had doubtless set in, and but for this step, this vast bulk of specie would, in a few days, have been buried in thousands of little garden pits through the Empire, that being the favorite national savings bank in France. Had this been suffered, the financial disturbance of the war would have been both serious and widespread, both in extent and time. Heavy foreign loans would have been in negotiation at excessive rates, and all the commercial relations of France with other countries for years would have been affected by her difficulty in meeting a constant deficiency in means for adjusting the balance of exchange against her. Should this specie remain, as is doubtful, intact, it will help materially to restore the national credit after the war, and so invigorate the recuperative energies of the people. Should this treasure be scattered by the war, or by an indemnity to the victor, then gold will be at a great premium in France, and those in the habit of selling goods to her will have a restricted trade and a poorer customer. The lesson is on the surface, which it would be well for this Dominion to learn well and act on—"you cannot eat your cake and have it." If this country spends its income, its harvest treasures, in excessive imports of a non-necessary, non-productive character, in that degree will it retard the growth of the material wealth, and self-sustaining power of the people, and in time of disaster, as invasion, or famine from bad harvests, the mischief will be intensely aggravated by poverty.

We noticed last week an encouraging feature in the lumber trade, the exports to South America. We find that during the week ending on the 26th August, no less than 3,000,000 (three million) feet, of the value of about $36,000, were shipped to