Notes of the Week.

Quebec's Finances. The budget laid before the Quebec Legislature by the Hon. Mr. MacKenzie, Provincial Treasurer, showed a surplus of $683,428 for the fiscal year ending June 30, 1912, after allowing for $363,883 extraordinary expenditure. The total receipts were $8,070,109 and the total ordinary expenditure, $7,022,-706. The receipts were $1,037,364 in excess of the previous year. For the fiscal year 1912-13 the receipts are estimated at $7,403,211 and the expenditure at $7,046,642, which leaves an anticipated surplus of $356,568. The ordinary receipts for 1911-12 exceeded the estimates by $1,597,457 and the expenditure by $1,078,255. On the 30th June, 1911, the excess of liabilities over the assets was $21,009,941. The excess of liabilities over the assets on the 30th June, 1912, was $19,885,069, giving a decrease of excess of liabilities for the year 1911-12 of $1,124,872.

Canadian Trade and Commerce. The report of the Department of Trade and Commerce for the year ending March 31, 1912, shows that the total imports and exports of Canada amounted to $874,637,794 or omitting coin and bullion, $841,002,814. The imports amounted to $533,286,663 of which $343,370,082 were dutiable and $189,916,581 free. Canada's trade with Great Britain amounted to $269,000,000, imports being $117,191,692 and exports $151,833,379. The figures for the last four years have been:

Year.	Imports.	Exports.
1909	$ 70,555,895	$133,745,123
1910	95,666,004	149,630,488
1911	110,585,004	136,962,971
1912	117,191,621	151,833,379

Of the imports from Great Britain for consumption $89,514,201 were dutiable and $27,392,011 were free, the duty being $22,367,040, or 24.9 p.c. on dutiable articles.

The trade with the United States amounted to $488,679,000, or, excluding coin and bullion, $455,-175,000. Imports amounted to $342,219,131, as against $284,325,321 in 1911; while exports were $112,956,295, the figure having been stationary for three years. The imports for consumption were $196,886,150 dutiable and $133,542,352 free; the duty levied was $49,177,584, or 24.9 per cent.

The total trade with France amounted to about fourteen millions, and that with Germany was just under fifteen millions.

Montreal's Dry-Dock. The dedication by H. R. H. the Governor-General of the floating dock, "Duke of Connaught" marks an important epoch in the development of the St. Lawrence trade route. As the Prince said, "The vital necessity of such an equipment has been most unfortunately demonstrated on more than one occasion during the past season, and the absence of a proper dock has no doubt discouraged a certain amount of traffic, and has even influenced the underwriters unfavorably towards our great national waterway."

In giving expression to the hope that a great impetus may be given to the Canadian shipping trade, His Royal Highness added a word which may be taken to heart by those ambitious patriots who want to start a Canadian ship building industry by constructing Dreadnoughts here. He said: "That this trade should be carried in Canadian-built ships cannot be expected for the present, but I hope that within our lifetime the flag of the Canadian Mercantile Marine may often be seen flying over ocean-going steamers which have been constructed in Canadian yards."

This is the simple common sense of the question. There is no reason why Canada should not within the life-time of many of the present generation build big ships, but the time is not yet, and the industry will have to start with something smaller than battleships.

War and the Money Market. The demoralising effect of rumours of war upon the price of national and other securities is well known, but it is rather astonishing to find that judging by the experience of Turkey and the Balkan States, rumours of war may be more injurious to the market than war itself. It may be due to the fact that about the worst is known, or it may be that when war is actually in progress, rumours of war naturally give way to rumours of peace. According to the New York Post: "Prices of the securities of all the belligerent States—even the defeated one—are now considerably higher than those quoted when the war was begun. Turkish bonds are now 6 points above their lowest price of last month, reached on the actual news of war; Greek bonds are 7 points higher, Bulgarians have improved 10½ points, and the gain of Servia's securities has amounted to 12½ points."

Legal Decisions

MISREPRESENTATION OF AGENT.

A decision has been given by the Supreme Court of Canada in the case of Shaw vs. The Mutual Life of New York, which turned on the question of misrepresentation of an agent. The appellant made an application to respondent on September 27th, 1889, for $2,000 insurance on his life upon the 20 pay life return premium plan, 20 year distribution; gave his promissory note at one month for the first premium of $33 and paid that and nineteen succeeding premiums. On February 22nd, 1910, action was brought to revoke the sum of $2,026 on the ground that the agent induced him to apply for the policies on the distinct representation and assurance that the reserve on each of the said policies was a fixed sum, and that said sum on the expiration of the 20 years would amount to $1,013. The trial judge decided in favor of the plaintiff, but the Court of Appeal of Ontario reversed the decision. The plaintiff then appealed to the Supreme Court, which sustained the finding of the Court of Appeal. The finding of the Chief Justice was as follows:

This action was brought originally to enforce the contracts of insurance evidenced by the two policies; but at the trial, by an amendment, rescission of the contracts and return of the payments for premiums was asked for. There is no allegation of fraud; the ground or cause of rescission relied upon is the alleged representation made by the special agent of the company with respect to the surrender value of the policy at the expiration of the 20-year period, when the insured had, besides the protection of the policy in case of death in the interval, three options open to him;