advanced from $16,000,000 to $33,000,000. Railways, as readers of THE CHRONICLE will expect, show a decrease in yield of profit. The $193,500,000 recorded for 1901-1902 is a drop of close upon ten million dollars from the figure of the preceding year 1900-1901.

Just at the present time, by-the-way, a good deal of interested attention is being given to the railway question here. The fall in Home Railway dividends seems to have been arrested at last. The average distribution of the fifteen principal roads for the first half of 1899 was just under four per cent. From that figure it tumbled to averages of 3 9-16 and 2 9-16 in the corresponding half-years of 1900 and 1901 respectively. High full prices, no doubt, accounted for part of this, but obsolete methods and general waste both played their part in pulling Home Railway finance to pieces. Now even with wages, and rates and taxes advancing, the average dividend is over three per cent.

For some years, since the exploding of the inflation coupled with the rise and fall of Ernest Terah Hooley, the British cycle industries has been languishing. It seems as if the taking up of motor manufacture were going to change all this. Firms which for long have been out of the dividend list and some of which were almost hopeless reconstruction of derelict concerns are coming out with profit distribution once more. The new motor car legislation will help these things still more.

INSURANCE.

Somewhere back in THE CHRONICLE files will be found a severely critical account of the inception and operations of a precious concern calling itself the Star Fire and Burglary Insurance Company, operating mainly in Scotland. As was almost to be foreseen, the officials are now under arrest and charged with fraudulently obtaining insurance premiums from two thousand people on the false representation that the Company had a guarantee fund of $350,000.

In the evidence, Huchinson, a clerk at four dollars a week salary, said he was induced by the prisoner Blackhurst, to become a director of the Company. At the last meeting of the Company, the other prisoner, Grant, was, on the suggestion of Blackhurst, appointed manager of the Star at a salary of $875 per annum.

To return the good deed, Grant promptly proposed Blackhurst as secretary, at $500 per annum, and he was duly elected. The only other director was a brother of Grant.

At another meeting the four dollar clerk was put up to propose to pay Grant and Blackhurst in cash or 10 per cent. debentures, $5,000 each. At a further meeting Grant was given $385,000 in debentures. The clerk was eventually made chairman and instructed to apply for liquidation, probably by this time the clique reckoning they were sufficiently well fixed up to scoop whatever assets there were. The business had been begun with a cash capital of $35 only, although the printed matter talked of a guaranteed fund of $1,250,000. The total premiums received were $11,555 and the risks undertaken amounted to $4,375,000.

STOCK EXCHANGE NOTES.

Wednesday, p.m., September 2, 1903.

The chief development in this week's market has been the announcement that the Directors of the Dominion Coal and Dominion Iron and Steel Companies have arrived at an agreement regarding the separation of these two Companies, and it is understood that the terms of the arrangement are mutually beneficial to the companies concerned. While no official information has been given out regarding the agreement, it is understood that the contract existing between the companies has been totally abrogated and a new arrangement entered into. Under the new contract the Dominon Coal Company agrees to supply coals up to a stated quantity to the Dominion Steel Company for a term of years at a price understood to be in the neighbourhood of the very satisfactory terms they are at present enjoying. The Coal Company binds itself to repay to the Dominion Steel Company the moneys expended on the Coal Company's property improvements, while the lease has been in operation, and will also pay them a certain amount as bonus for the cancellation of the lease. The total amount to be paid to the Steel Company is understood to be in the neighbourhood of $2,500,000. The whole matter will be placed before the shareholders of the companies interested at a meeting which is to be called, and the present solution of the difficulties between the two companies cannot but be advantageous to the securities of each, and the question of finances has, we understand, been provided for under the new conditions. Apart from this development, which has been long expected the week's market has been without interesting features and continues to drag along sluggishly and inactively, so much so that the afternoon sessions have not as yet been resumed, although they were intended to commence on the 1st of September. The Steel stocks continue around the prices prevailing a week ago, but the transactions in them are of such limited volume that they hardly test the market position of these securities. C. P. R. is now selling X.D. of 3 per cent. and has been one of the most active stocks in this week's business, the only larger transactions being in Montreal Power. The latter stock is slowly advancing in price and has made a steady gain for some time past. Small lots of this security continue to be bought for investment and as a 46 per cent. stock selling at 75 with its strong position in Montreal, it is an attractive investment at these figures. The decrease in the discount allowance on electric lighting will, no doubt, largely augment the revenue of the Company, and it is also expected that the Chambly Company will be delivering power in the city within a short time now. It is claimed that the Company has an ample market for the power to be developed. The tractions have remained very inactive throughout the week, Twin City being the only stock figuring to any extent in the trading. R. & O. has again improved over the price prevailing a week ago and closed very firm, but the transactions in this stock have been very insignificant. Nova Scotia Steel Common remains firm at a fractional advance, but there is none offered within several points of the bid price, and the only transaction this week was 25 shares, which sale was made to-day. The condition of the N Y. market remains about the same, and condition of the New York market remains the same, and it is largely the influence of that centre that is retarding business here. All conditions under ordinary circumstances would point to a turn towards higher prices, but the speculative public is conspicuous by its absence at the present time, and until buying from this source develops conditions will not likely change materially.

Call money in New York to-day was quoted at 1¾ to 2. and in London the rate was 1½ to 1¾. Locally the rate for call money remains unchanged at 5½ per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris	2⅜	3
Berlin	3⅜	4
Amsterdam	3¼	3½
Vienna	3¼	3½
Brussels	2⅞	3

* * *

The closing quotation for C. P. R. to-day was 124⅛ X.D. equivalent to ⅜ of a point advance over the figure prevailing a week ago. The stock sold X.D. for the first