

plication for a patent was rejected. Three entirely satisfactory tests were made by the government chemist, and he has returned to Washington. A copy of his report to the Patent Office was received here to-day. After detailing the tests as made by himself, he says that the process is operative, that it appears to be almost perfect in its results in obtaining the entire aluminum value of the oxide." It is stated by the discoverer of this process and his Duluth associates that they can produce pure aluminum at a price a good deal below that of any of the electrical processes, and cheaper, bulk for bulk, than copper. But they say the native clay is useless. In fact, they allege that the only available mineral for the purpose is bauxite, which is an impure oxide of aluminum.

BOARD OF TRADE CONFERENCE.

Good work has been done, we believe, by the Toronto Board of Trade in securing on Saturday last a conference with Sir Henry Tyler and Mr. Seargeant, respectively the president and general manager of the Grand Trunk Railway of Canada. Certain matters which have occasioned dissatisfaction with the railway among our merchants were very fully gone into. While it is true that so strong a case as expected was not made out by those who alleged delays or other grievances against the Grand Trunk, it is of value to the merchants and manufacturers of Toronto to have elicited from the authorities of that road such clear expressions, as were used, of their desire to place this city on an even footing with Montreal as regards freight rates. It is important, too, to observe that in allusion to the complaint that Canadian customers of the road often had to await the tardy action of a London Board, the president declared: "Our Mr. Seargeant has just as much power as Mr. Van Horne." Much satisfaction was given to the members of the Board who met these G. T. R. officials by assurances that something would very shortly be done towards improving Toronto's railway connections with New York via Hamilton and the Suspension Bridge.

—The suggestion was recently made in these columns by a correspondent that a necessity for Toronto is some new method of choosing civic representatives. He proposes some such method as that the aldermen for each ward should be chosen by representative bodies, such as the Board of Trade, the Ratepayers' Association, the Trades and Labor Union. "In this, or some such way," writes Mr. Chapman, "we should obtain the consensus of opinion of the larger portion of the ratepayers on any given question." And we are told that in response to the suggestion made, the Ratepayers' Association has already made its nominations for 1894. It must be admitted that a grave need exists in the City Council of Toronto for improved administration. We have plenty small-minded men; what is needed in the Council is more men of public spirit and business capacity. We cannot too soon adopt any plan that will secure to the city better government.

THE ALARMING GROWTH OF INCENDIARISM.

Unpleasant as the prospects may be to underwriters and other business men, there is little doubt that the present financial depression will continue for some time, perhaps for several years. Outside of the general results, there are special reasons why the stringent times should affect the fire insurance companies, unless they are very guarded in their operations. When the panicky condition began, stores had been stocked and manufacturers had given orders and made contracts on the basis of a prosperous season. Of course, events have shown that merchants were overstocked, and in many cases, factories and mills had too many contracts out for material, which must be executed as long as the proprietors remain solvent; and stagnation followed where activity was expected and provided for. No doubt all of us strive to preserve our confidence in human nature; but after all reasonable deductions have been made for mistakes in judgment as to specific instances, it must be confessed that the prevailing conditions greatly increase the moral hazard of fire risks throughout the country. Even in 1892, when trade was fairly good, there was much evidence of "sales to insurance companies." This year so far, the country has been blazing from one end to the other, and there are now already pretty good signs that much of this blazing results from causes not altogether accidental.

It must be remembered that the average citizen fails to grasp the true nature and function of a fire insurance company. The fire insurance companies are too frequently regarded as a sort of omnibus provided for the carrying of any and all risks of fire, and with unlimited money at their disposal for settling whatever claims of whatever nature that may arise if only destroyed property is "insured." When, in addition to this general view, is added in particular cases a deadened moral sense, which in the grand scramble for Number One has little respect to means and measures so long as the end is gained, the natural effect in the moral hazard is very apparent. We assume that in the term moral hazard is included the risk arising from indifference or carelessness as to the safety of property when it has ceased to be a profitable source of income. The actually criminal purpose to burn which applies the torch or sees that it is applied may be absent, and yet the risk be greatly increased by relaxed surveillance, a willingness that the companies may pay a rousing price for a pile of ashes, if things so turn out. . . . The special point which we make in conclusion is, that the depression of the times, present and prospective, will be almost certain to aggravate the moral hazard even above the degree in which it was apparent in 1892. It is but the part of wisdom for managers to insist upon a most complete analysis of the moral conditions prevailing in each risk before accepting it. Always an important element, the moral hazard never was more so than it is and will be for the next twelve months.—*Insurance Age*.

Quoting this article and commenting upon it, the *Insurance Monitor* for September has the following:—

While recognizing the force of all that is said by our contemporary, we doubt whether it has touched after all on the chief causes of the present trouble. The increase of incendiarism has been going on during a series of years when there were no hard times to justify it. It has grown with the influx of professional incendiaries and anarchistic agitators

from abroad. The curse of that unrestrained immigration from Russia, Austria and Italy, which has been flooding us with the disciples of John Moet and with the lowest classes of Russian outcasts, is more responsible for increased incendiarism than any mere business tension. Insensibly we are lowering the tone of our population, and the effect is showing itself here just as it is in those fanatical outbursts against capital and property rights which have become so familiar of late. The golden opportunity to arrest this plague was furnished last year, but political influences stood in the way, as heretofore, and we can only rest in hope that public sentiment will some day become strong enough to check the evil. Meanwhile, underwriters have no recourse but to raise their rates.

THE HOP HARVEST OF 1892-93.

The hop harvest is now pretty well over and the results are matters of considerable speculation. In so far as the Canadian crop is concerned little that is authoritative can be learned. The Western Ontario crop is probably not quite so large as that of last year. At one time growers had expected the season to be a failure, but favorable weather finally came and the quality of the Ontario hops is said to be good. In Prince Edward county, the great centre of Canadian hop growing, both quantity and quality are believed to be up to the average.

Considerable attention has been turned to the hop industry this year in British Columbia. It is a matter of surprise that this province has not already entered the ranks of the hop-producing countries, since the State of Washington, just across the American border, has long been important in this respect. Mr. Saunders, of the Dominion Experimental Farm, is now on the Pacific coast, and as a result of his investigations says: "Taking the average hop yard on both sides of the boundary under similar conditions of cultivation, and I am satisfied that the results in British Columbia are fully equal to those in Washington." The Canadian Government intends to encourage the industry, and next spring will start a hop plantation at the Agassiz farm.

Hops are a commodity which Canada both exports and imports. The amount of our receipts from other countries is, however, vastly in excess of our exports, and in 1891-92 totalled 3,855 bales, with a value of \$209,119. Our exports are, for the most part, confined to the hops sent to Great Britain, and in 1891-92 but 168 bales were forwarded there. This movement, however, is much larger for the present year, and from Sept. 1st., 1892, to August 10th, 1893, the export totalled 925 bales.

The English crop for the year averages well in quantity and quality, although at one time growers had thought that it would fall short of that of last year. In the United States the total yield is a larger one than usual. *Bradstreet* estimates the crop of Central New York at 140,000 bales against 125,000 bales last year. Reports from the State of Washington estimate the yield there at about 50,000 bales. A first shipment of five carloads has already gone forward from the Pacific Coast to London, England, and is said to have been of excellent quality. The Austrian and Belgian crops are both good; that of Germany, however, has been an exception, and will probably show a deficit of 16,000,000 metric pounds, or one-third of the entire crop of last year. The total world's production is held at 146,000,000 metric pounds, or just 7,000,000 pounds less than that of last year.