

exhibit we have had for a long time. Circulation has increased during the month by \$810,000 and discounts by over \$2,300,000. Aware of the extremely hazardous and unprofitable operation of carrying grain in winter, farmers and holders have wisely taken advantage of present prices and have found the banks ready to afford them the necessary accommodation. Barley has been shipped at remunerative figures and several cargoes are now on their way to the consumers.

Of the \$2,300,000 increase in notes discounted \$1,770,000 is represented by merchandise and produce, \$460,000 by municipal and railway bonds and \$120,000 by bank stocks.

We detail the most important changes in loans on bank stocks in the course of the month as follows :—

INCREASE.

Can. Bank of Commerce.....	\$225,400
Bank of B. N. A.....	80,500
Exchange Bank.....	57,500

DECREASE.

Bank of Toronto.....	\$12,000
Bank of Hamilton.....	38,000
Ontario Bank.....	34,000
Standard.....	66,000
Federal.....	41,000
Banque du Peuple.....	31,000
Quebec Bank.....	76,200

The three items of loans to corporations, on bank stocks, and on bonds, amounting to nearly \$12,000,000 are in themselves evidence of the difficulty that banks have experienced in employing their funds; and we hope soon to congratulate them on a transfer of a large proportion of this sum to the more legitimate and profitable discount column. In the amounts due to other banks we note an increase of \$444,500. This is due to the movement in the produce market and to large remittances of sterling exchange in payment of spring purchases.

In last week's issue we referred to the question of the liability of bankers in the matter of marked cheques. We would take occasion to emphasize our remarks by referring to the distrust that must naturally arise between banks, and ultimately between themselves and the public, should there be any misapprehension upon this point. Whatever may be the circumstances under which a cheque has been marked, we contend that a bank is bound to honor its acceptance. If such a cheque should be accepted under false or doubtful representations, the law provides a remedy, and in the interests of commercial morality, whatever its consequences to individuals, the course that should be taken is unmistakably clear. Were there no such remedy the dishonoring of an accepted cheque would be of doubtful expediency, for as the mark of a bank has

always been its pledge to the public, it is of the first importance that confidence should be maintained, let the result in other respects be what it may.

When the cases now pending against one of our chartered banks are judicially decided, we shall look with some anxiety for a clear deliverance from the courts, so that it may be understood whether in law the acceptance of a cheque is binding or otherwise.

DRINKING HABITS AND LIFE INSURANCE.

That a good number of deaths are occasioned by the too free use of intoxicating drink, and that life insurance companies suffer loss by having to pay claims through deaths thus prematurely occasioned, are circumstances so patent as to require no elaborate proof on paper. The habits of persons are made a subject of strict inquiry by Life Insurance Companies before risks are accepted; but it does not appear that the use of beer, wine or ardent spirits, so long as it does not perceptibly affect the health or conduct of the user, is regarded as seriously impairing the risk which the company has on such a life.

Much has been said of late by Dr. Carpenter and others about the effects of alcohol on the human body; and it is strongly contended that the injury done to some constitutions by even what would be called the moderate regular use of spirituous beverages outweighs all the good which its use is claimed to do for others. Indeed the teetotalers deny altogether that ardent spirits does anybody good, and assert that its influence is evil, and that continually. The question is a broad one, and we will not now pretend to say that what does one person harm may not do another good. But we find in the recent report of the United Kingdom Temperance and Provident Institution, a table of mortality experience which bears upon the relation between the use of intoxicating drink and the rate of mortality.

In 1877, according to the Actuary of this company the mortality on whole life policies was as follows: Expected claims in Temperance (we presume Total Abstinence) Section, 179. Actual claims in that section, 132. Expected claims in General Section, 291.—Actual claims 280. Thus the deaths in the Total Abstinence section of their policies showed a gain of 27 per cent. upon the estimated death rate, while the gain on the general section was under 4 per cent. This result, if corroborated by the experience of other years, would justify the company in giving more liberal terms to in-

surers who were abstainers, and it goes to strengthen the contention that strong liquor drinking does increase the ratio of mortality. If it can be proven to life companies that teetotalers as the most economic risks, the result will be sure to follow in the shape of reduced rates to such insurers. And the converse will prove to be the case: that closer discrimination will be made between drinkers with a view to their possible chances of life. These two points cannot fail to attract the attention of our actuaries. Some American companies, as we showed a few months ago, are already becoming much more strict in their dealings with what have been termed "bibulous risks." The element of cost is being considered more closely than ever before, and expenses of all kinds are closely scanned. An American Insurance journal, the *St. Louis Review* thus refers to the drinking question :—

"Now, if a man insures his property and then sets fire to it he forfeits his insurance. All fair minded men believe that companies do right in resisting his claim. But when he insures property in the form of a productive life and slowly but certainly burns that life out by the use of intoxicating drinks, why should not that fact void his policy? Why are life companies under legal and moral obligation to pay the amount in this case and not in the case of arson? The crime committed against society is no greater in the latter case than in the former. The fact that one is a slow process and the other is not, does not affect the principle which should govern in such matters."

But there is a difference between the two cases. The life insurance companies are dealing with the known average duration of human life; and they are quite at liberty to make a distinction between different classes of risks; but they are not at liberty to repudiate a bargain once made, which includes the contingency, which the above suggestion would make a ground of refusing payment. Repudiation of this kind would immensely diminish the otherwise greatly reduced amount of life insurance. Those who take the premium must be content to take the risk attached to habits of life which are not a secret for anybody.

COMMERCIAL TRAVELLING.
DOES IT PAY?

Canadian importers have had some cause to realize that the conditions of business are changed from those of 1861 to 1872. The abnormal state of commercial affairs brought about by the civil war in the neighboring States, created an extraordinary demand for our imported and manufactured goods. Houses whose customary turn-over was a hundred thousand pounds, found it