

frailty we may ascribe the dangerous and often astounding negligence of many first-class business firms on the vital matter of insurance against fire.

"Most men think all men mortal but themselves;" so in reference to fires, every man thinks any place liable to burn but his own, and it is not till he sees the smoke and flames roll up that he regards a conflagration about his premises as being among the possibilities. When the calamity does come, and it usually comes once at least in the life of a business man, if it finds him unprepared the effect is to blot out the results of years of hard labor, to crush his expectations, and perhaps to cast a gloom over all his prospects. This dreadful, but always possible contingency, should be carefully guarded against. Every night when the door is locked the matter of insurance should be so arranged that if the premises were to be represented in the morning by a heap of unsightly ruins, indemnity for the loss would be secure. The almost criminal negligence with which insurance is treated takes two forms: 1st. Failure to insure at all. 2nd. Such a neglect of the conditions of policies as to render them invalid, leaving the insured wholly at the mercy of the companies.

We have often discussed the first point, and shall add nothing on the subject here except to quote a passage from the work of Mr. Freeman Hunt, entitled, "Worth and Wealth," every sentiment of which has our endorsement, and is commended to the notice of all who buy or sell goods on credit:

"*Duty to Creditors.*—A merchant is not honest if he endangers the loss of an amount of property, which, if lost by fire or otherwise, would disable him from paying his debts. * * It is unjust not to insure. Perhaps the majority of uninsured traders, if their houses and goods were burnt, would be unable to pay their creditors. The injustice consists, not in the actual loss which may be inflicted, but in *endangering* the infliction of the loss. There are but two ways in which, under such circumstances, the claims of rectitude can be satisfied; one is by insuring the property, and the other by telling its actual owner that it will be endangered, and leaving him to incur the risk or not as he pleases. * * * Having taken possession of your premises, let your first care be to insure them, as well as your stock in trade, against fire. This is one of the duties most incumbent upon a young tradesman. If the house which he inhabits, as well as the goods in his shop, were positively his own (that is to say were actually paid for), it would be one of the most absurd things upon earth to neglect the means of providing a remedy against the overwhelming consequences of fire, more especially when such remedy is attainable without the slightest difficulty or trouble. But in the other and more common case, when the goods are not morally his own, inasmuch as his creditors have not been paid for them, the neglect of this precaution becomes *absolutely criminal*. If a tradesman, who has obtained goods upon credit, hesitates or neglects to insure them against fire, and they should after-

ward be consumed, and he be unable to pay for them in consequence, however much others may mince the matter, the simple fact will be, that he has negatively robbed those who confided in him. Neglect this precaution, and I should feel no pity for you if your stock and furniture were all destroyed by fire."

2nd. A disregard of the conditions of policies is amazingly common. Some wholesale firms who keep their books in the very best manner, who take a just pride in their success, and perhaps plume themselves on their business habits, are so heedless about the position of their insurances that if a fire were to occur they might or might not receive a single cent, the option resting entirely with the insurance companies. We shall state here some of the circumstances which render a fire insurance policy invalid, subject of course to all those legal exceptions which might vary on the points stated. The policy is void if the risk is misrepresented in the application, and even if the application is filled up by the company's agent, it is held to be the act of the party signing it; the policy is also made void by a change of interest, as where property is sold, unless the insurance is also transferred; if a partner in a firm goes out, or a new one is taken in; if goods are divided between partners, each partner taking a portion; if the partnership be dissolved; if the property is conveyed to trustees for the benefit of the creditors; if the property is transferred to an assignee under a decree of bankruptcy; if the insured gives a deed and receives an agreement for reconveyance; if alterations be made in the insured premises that can possibly increase the risk; if the policy be assigned without the consent of the company before a loss happens; if other insurance is effected without notice to all the companies previously interested; if material facts affecting the risk are suppressed; if threats of burning the insured property, or property adjoining, have been made (when material to the risk) and concealed by the applicant; if incumbrances such as mortgages exist on the insured property, and the fact is untruly stated, such as declaring the amount of a mortgage to be \$3,000 when it was \$4,000; or if the interest of the insured is misrepresented; if the risk be materially increased without notice to the company, by storing hazardous or extra hazardous articles, these being prohibited by the policy, or by materially increasing the outside exposure; if the claim for loss is fraudulent or over stated, with intent to defraud. By the statute, 32—33 Vic., Cap. 23, sec. 5, a false affidavit in support of claim for loss is declared to be wilful and corrupt perjury.

The foregoing are the principal causes from which the policy becomes void or voidable. It is not pretended to lay down the law fully on these points, but merely to indicate general principles in general terms for the purpose of calling attention to the necessity of due care and watchfulness in regard to a matter that largely affects success in trade. Very few merchants can pretend that they may do as they please about this matter, or that it is one that concerns only themselves. Strict isolation in this age of credit is impossible; the interests of every trader are in a greater or less degree blended with those of every other. Where a little foresight may always guard against the possibility of failure by this most prolific cause—burnings—there is no excuse for the sufferer. And he who neglects to keep his policies alive, and to comply with their conditions, must in all fairness be placed in the same category with the reckless man who does not insure at all.

MONTREAL AND ITS TRADE.

The growing trade and rapid progress of Montreal must be gratifying to every true friend of the Dominion. As the commercial centre of Canada, its fast increasing importance is indicative of the advancement which is going on all over the country. The annual trade of the city—taking both imports and exports—amounts to close upon one-third of that of the whole Dominion, although it must be borne in mind that the Province of Ontario supplies the greater part of its exports, and takes from it a corresponding portion of its importations. Its total trade in 1835 amounted to less than \$5,000,000, but since that period it has doubled more than ten times over! In order to bring clearly before our readers the progress made, we annex the following statement of the imports and exports in 1835, and for every subsequent five years:—

Year.	Imports.	Exports.
1835	\$3,783,864	\$1,080,000
1840	5,036,676	1,677,124
1845	10,459,644	2,777,096
1850	7,174,780	1,744,722
1855	12,371,580	1,910,844
1860	15,479,453	6,020,715
1865	19,843,448	5,361,184
1870	31,012,864	19,027,153

The increase in the city's trade during the five years ending in 1870, was 98.53 per cent.—a very marked and gratifying advance. During the last year, 1871, its commerce was the largest ever known, having reached the large sum of \$54,637,853. Of this amount, \$19,133,519 were exports, and \$35,504,334 imports. But for a change