

decision of the meeting is, we understand, that the Grand Trunk shall receive one-tenth of the proceeds of general freight traffic of the pool, and six per cent. of the live stock business. It is stated that this refers to the freight laden at Chicago itself, and does not interfere with the traffic passing from the Michigan Central on to the Grand Trunk. These two roads will in the future as in the past interchange traffic at Detroit Junction. Nor does it affect in any way the traffic coming upon the latter road from lateral lines east of Chicago. It is not announced whether the Grand Trunk has accepted this award (which is only one-half what it asked) or not, but it would appear as if, having agreed to join the pool, and being represented in the deliberations of pool representatives, it will take its chances on the one-tenth awarded. The enormous traffic from that western mart is shown by the fact that it recently received, in one week, the enormous quantity of 4,731,000 bushels of grain.

—The Bankers' Convention at Saratoga was an interesting occasion. Ideas as well as ducats were represented there. The delegates formed a "solid old crowd," to quote the *Buffalo Express*, which considered that "a millionaire in that company would be but a common sort of fellow." As the *Philadelphia Record* sensibly says, "The fair-minded men who compose the Bankers' Convention at Saratoga attribute the prosperity of the country to the bountiful harvests vouchsafed by a kind Providence rather than to anything that has been done by either the Republican or Democratic party." The president elect was Mr. Alex. Mitchell of Milwaukee; First Vice-President, Jacob D. Vermilye of New York; also one Vice-President from each State and Territory. Resolutions in favor of a general bankrupt law, endorsed by the Executive Council, were laid upon the table. Mr. Geo. S. Coe of New York read a paper on the silver question, and a letter from Mr. Sherman, Secretary of the Treasury, was read by Mr. Edward Atkinson.

In this letter the Secretary referred to the connection of National Banks with the general government, especially in refunding and resumption.

The following remarks are made upon the subject of the Convention by the N.Y. *Shipping List*: "How intimately the business of banking is bound up with the general prosperity of the country, is a truth too familiarly recognized to need demonstration. A sound system of financial administration lies at the very foundation of national welfare, and every movement which has for its object the perfecting of existing methods is a movement in which the public is vitally interested. The gentlemen who will meet at Saratoga have made the study of bank-

ing the business of their lives. They are not like the majority of Congressmen, amateur financiers. The scientific management of money is their trade. They all speak of the things which they have known, and what they say will carry with it the weight which belongs to the teachings of experience. Many grave questions of public importance will engage their attention. There are people who have an idea that because specie payments have been successfully resumed because the inflationists and repudiators are for the moment powerless, therefore the financial question has ceased to be a live issue. This is a serious mistake. Much has been done, but more remains to be accomplished. The taxes on the National Banks and other questions of importance are to be discussed, and we bespeak for the deliberations of the Association the careful attention of the business public."

—The anthracite coal trade of the States is described as improving. There are an increased demand, larger sales, and better prices, which does not mean an addition to circular prices. The fact is broadly stated by the *Engineering and Mining Journal* that "coal could always be purchased for less than the circular rates." The deficiency of production up to August 7th was 2,495,672 tons, as compared with the corresponding period of last year.

EARNINGS OF RAILWAYS.

The gross earnings for seven months of this year by eighteen of the principal railways of this continent are given, as per the following list, in a New York journal. Railway and telegraph receipts are good indices of the condition of business, and certainly these figures point to a much improved state of affairs. The average increase of the receipts of these eighteen roads was over 28 per cent.:

	1890.	1879.	In. p. c.
Central Pacific.....	\$10,244,255	\$9,314,241	10
Chicago & Alton.....	4,066,202	2,730,756	50
Chicago, Milw. & St. Paul	6,473,000	4,906,331	35
Chicago & Northwest ..	10,120,826	8,274,563	22
Clev. Col. Cin. & Ind....	2,248,068	1,778,591	26
Denver So. Pk. & Pacific	1,238,533	906,683	300
Flint & Pere Marquette.	837,102	597,619	43
Grand Trunk Canada ..	5,748,799	4,769,815	25
Great West'n Canada ..	2,751,531	2,341,294	17
Hannibal & St. Joseph..	1,300,037	992,869	31
Louisville & Nashville..	4,078,080	3,048,001	53
Missouri, Kan. & Texas..	2,305,928	1,501,466	53
Mobile & Ohio ..	1,133,218	967,070	17
N. Y. C. & Hud. River ..	18,605,794	15,352,390	21
Northern Pacific.....	1,145,279	901,566	26
St. L. Iron Mt. & South'n	3,060,486	2,261,261	35
St. Louis & S. Francisco	1,330,919	646,813	10
Wabash, St. Louis & Pac	6,378,938	4,311,720	48
Total increase.....	\$99,172,489	\$77,137,205	

The Grand Trunk for the first five months of this year shows relatively well, and we find the owners of that road have half a million of dollars more to divide among them than they had last year:

	Jan. 1 to May 31.	
	1890.	1879.
	£	£
Gross earnings	822,755	708,111
Operating expenses	576,745	560,522
Net earnings	246,010	147,589

A NOVEL SUIT.

One of the most extraordinary actions at law on record has just been commenced in Chicago. The plaintiffs are the stockholders of the Chicago Life Insurance Company, and the defendant no less a person than the State Auditor. The company was about three years ago hastily forced into the hands of a receiver, and it is now contended by the stockholders that the Auditor and his assistants were unduly meddlesome, and that the company would have survived and been still in excellent condition had it not been for the unnecessary official pressure brought to bear upon it. It is also contended that the State system of insurance supervision is unconstitutional. What the plaintiffs ask is that the injury alleged to have been done to the company may be repaired, and that it may be allowed to resume its business.

So far as any personal remedy against the Auditor is concerned, it is not easy to see how it is expected to fasten any liability upon him; unless it can be shown that he exceeded the duties by law cast upon him. If the law is not constitutional that is another and more serious matter, but surely not one for which the auditor is in any way responsible. What strikes one as peculiar is that this question of the constitutionality of the law was not raised when the application was made to the Court to have a receiver appointed. It seems to us that these questions would have been raised in some way long before this time if there were much in them.

It is possible, however, that there may be some satisfactory explanation for the delay, and that the unique points taken may be found to rest on a more solid basis than we suspect they do. Certainly, if the suit is persisted in, it may have the effect of directing public attention to the serious inconvenience under which American Insurance Companies, which carry on business in a number of States, labor, in being obliged to conform to very different laws and regulations in each State. There appears to be a rapidly growing feeling that some change is necessary to secure more uniformity in the multifarious systems of supervision to which all large companies are subjected. Whether the present litigation will end in its being declared by the courts that the State Authorities have exceeded their constitutional powers in legislating on this subject may well be doubted. If it has the effect of directing attention pointedly and to some purpose to the evils of the present system of supervision, it will, however, have served one good object in the interests of all companies.

One objection taken in the interest of the plaintiffs—that the laws at present in force require too high a standard of solvency to entitle companies to transact business—is not likely to meet with much favor from the public, in view of the number of concerns which have collapsed within the confines of the Union within the last few years. The important responsibilities assumed by life insurance companies make it absolutely necessary that ample safeguards should be provided against public loss through irresponsible insurers.

Another good which may possibly result will be the bringing under some sort of official supervision the many unsupervised assessment societies which now deal out imitation insurance without let or hindrance in almost every State of the Union.

—The Standard Bank of Canada has opened an agency at Campbellford, Ont., under the management of Mr. F. J. Gosling, late of the Consolidated Bank, a gentleman of considerable experience in his line.