

eyes of American malsters, they can get plenty of dark barley at home. Prices will take a wide range. The season is now nearly on, and the market will open within the next fortnight. It is expected that 75 to 80c. will be paid for bright samples, as figures now quoted in Albany and New York for old barley would justify these quotations. Inferior samples will not bring anything like these figures; but the prospects are that this crop will prove not less profitable to farmers this year than in several previous seasons. A cargo or two of new Western barley, has already arrived at Oswego, said to be of a sample closely resembling bright Canada.

Oats and peas are both a good crop; the abundant rain has caused a fine growth, so that these grains promise well. Hay is believed to be about an average. Roots are abundant, except in those sections which complain of drought.

Altogether, we think there is no room for despondency in reference to the harvest; prices are higher than last year, the yield will be as good, if not better. Producers will realize liberal returns, and an important addition will be made to the very considerable accumulations which our farmers have laid by during a series of prosperous seasons. Stimulated by this favorable condition of the agricultural interest we expect to see trade of every kind lively and prosperous during the next six months.

ALTHOUGH the coming fall promises to be a good one for business men, both with respect to the amount of crop harvested and the prices to be obtained for it, quite a number of traders, in various lines, have, during the last few weeks, thought proper to abscond and leave their creditors in the lurch. A common query is, when these cases become known, how can bad debts of this kind be avoided? In response to several anxious and indignant correspondents, we have considered the subject with some care, and though we cannot suggest a specific remedy in each of the cases named, we do think that a great cause of such losses is the too great readiness to trust unknown and untried men, and take for granted what alone can be considered a sufficient basis for credit transactions, viz.: the good character and the business qualifications of the trader. With some eager dealers, the experience and the integrity of a customer established for ten or twenty years, gives the latter no advantage in prices or terms of credit over the unknown beginner of yesterday, who keeps his shop open until he gets money enough to take him well away, and then cuts across the lines. So long as credit is so cheap and so readily obtained by this class of traders, just so long

will we hear of absconding debtors. If our friends desire an infallible preventative of such bad debts, we can give it them in few words—Sell such men for cash, and for cash only.

ENGLISH Insurance Companies are becoming seriously alarmed at the frequency and the magnitude of fires in Canada, so much so that we understand one or two of the largest Companies are sending out Commissioners to consider and report upon the desirability of removing their agencies from the Dominion altogether. It is stated that the proportion of losses to premiums has been heavier in the Province of Quebec than in any State in the American Union.

IT IS UNDERSTOOD that an arrangement has been entered into by the Directors of the Toronto, Grey & Bruce railway, with a firm in this city, for the loan of \$250,000, on the pledge or sale of \$400,000 of the Company's securities. The right has been reserved of resuming the securities at the end of two years on repayment of the sum borrowed. It is stated that the lenders will realize twelve per cent. per annum on their investment. And "thereby hangs a tale."

ANSWERS TO CORRESPONDENTS. — "Policy," Belleville, writes: "Can you tell why all British and Canadian fire, life and marine insurance companies are required to attach a seal to each of their policies, in order that their contracts may be legal, while some, if not all, of the American insurance companies doing business in Canada issue policies *without seals*? A policy, purporting to be issued by the Agricultural Insurance Company of Watertown, N. Y., has just been placed in my hands, and is without a seal; and I have seen quite a large number of policies issued by American companies doing business in Canada, and never yet saw an American insurance policy with a seal attached. The question arises, whether these American companies could be compelled to pay a loss occurring under a policy without a seal. Smith's Mercantile Law, B. 1, cap. 4, treats of incorporations, and the importance of attaching a seal to each contract, as follows:—'A corporation, being an invisible body, cannot manifest its will by oral communication. A peculiar mode has, therefore, been devised for the authentic expression of its intention—namely, by the affixing of its common seal; and it is held that though the particular members may express their private consent by words, or signing their names, yet this does not bind the corporation. It is the fixing of the seal, and that only, which unites the several assents of the individuals composing it, and makes one joint assent of the whole.'"

The point as to a corporate seal is hedged by a clause in the charters of the American companies. Sec. 11, of the charter of the Aetna of Hartford, is in these words, "All notes or policies of insurance, signed by the President and counter-

signed by the Secretary, shall bind and oblige said corporation, according to the terms and tenor thereof."

"Agent," Brockville, puts his query of last week in an amended form as follows:—

"The Agricultural Insurance Company of Watertown, N. Y., is issuing policies of insurance without taking any premium or due-bill for premium at the time of insuring, but with the understanding that the assured is to pay the premium next winter. Now, in the event of loss in the meantime, has the claimant any legal claim against the Company not having paid the premium or given note for same?"

No doubt the Company might successfully resist any claim so arising, on the plea that the agent has exceeded his authority, subject, however, to the conditions of the policy. Unless the time and manner of payment are specified in the policy, the assured are placed in a false position, where they might be taken undue advantage of by the Company if they insured on any other terms than actual payment of the premium at the time.

SERIOUS CONFLAGRATION.—Probably the most extensive and disastrous conflagration that ever scourged any of the rural districts of Ontario was that near Ottawa last week. An insurance agent residing there gives it as his opinion, that fully one-half the County of Carleton has been devastated. The loss is roughly estimated at a million dollars, and the insurance has been stated in a telegram to the daily papers at \$150,000; but it is impossible to form even an approximate idea of what the companies will lose. Whatever the loss is it will fall chiefly on the Home and the Mutual Companies, including the Agricultural, the Beaver and the Victoria. The British America have a loss of \$1,300 at Bell's Corners, and the Provincial one of \$1,200, that we have heard of. Many farmers and others have been utterly ruined; but the most serious aspect of this extraordinary calamity is the loss of a number of lives, the flames having swept over the country so rapidly as to render escape in some instances quite impossible. A call has been made for contributions in aid of the sufferers, who are, without doubt, most deserving objects of sympathy and help.

GOLD BANKS.—A "gold bank," with a capital of \$300,000, has been organized in Boston, Mass., under the Currency Act of last session of Congress. The object of the bank is to accommodate all such as importers, who necessarily do a large share of their business on a gold basis. All duties being payable in coin, it has been the practice of many of the banks to keep two accounts with their customers, one in gold and the other in currency. This is a difficult task, and hence the object in establishing gold banks is to accommodate this kind of trade solely. These gold banks are required to deposit United States bonds in Washington, and are entitled to receive eighty per cent. of gold circulation on such bonds. They must also keep a reserve in their vaults for the redemption of their notes of 25 per cent. in coin. It is thought that there is room for a number of these institutions and that others will be organized soon.