

cept as "grease" and yet which might just as well be a first class article commanding a far higher price, and so increasing the wealth of the country. It is probably true that the proportion of really *gilt-edged* butter is small, and hence its extremely high price. If the bulk of the product can be raised in quality, by a little care, the average price of choice butter can be brought more easily within the means of the masses.

An address delivered before the Toronto Board of Trade and invited guests, on Wednesday last, by Mr. Lynch of Danville, Quebec, gave some facts about the trade, and some suggestions upon the process of butter-making, which are deserving of consideration. Bad butter, said Mr. Lynch, proceeds more often from the careless or improper treatment of the milk than from any other cause. Too rapid churning, which destroyed the grain, was another common cause of bad butter, or butter that became grease and would not keep. He instanced the well-known Kamouraska butter so named from a county in Quebec, where small cows of a peculiar French breed are used and the butter is delicious when new, but rapidly becomes bad, through defects in making. A third circumstance dwelt upon as hindering our improvement in the dairy was lack of proper appliances. In the counties of Richmond, Compton and Stanstead, said the speaker, were some of the best butter makers in the province of Quebec. And these makers were continually on the look out for the best and newest dairy machinery which they found a great aid to quality. In his answers to questions asked by some members of the Board, Mr. Lynch appeared to imply that good butter-makers were "born not made," and that the farmers of the Townships were a sort of hereditary dairymen. At any rate, not being able longer to do so well in grain-raising as Ontario farmers, they have gone the more extensively into dairying and have large and very complete establishments, both creameries and private dairies.

It is not, however, a very simple matter for Canadians to obtain the requisite utensils or machines for successful dairying. An instance in point is a dairy near Hamilton, visited recently, which possessed a complete set of appliances, everything of the best, but no two procured at the same place or at the same time; showing that the proprietor had to find out gradually where to get his machinery and then write to various parts of the States and Canada to obtain it, bit by bit. The state of things which this illustrates contrasts in a marked way with the numerous and convenient depots for agricultural implements in every town. Where to get the strongest plough, the best seed-drill, the cheapest reaper and mower is easily learned and the articles readily got.

To be enabled to arrange for the manufacture and supply to creameries and to farmers of dairying utensils of a scientific kind, was one object of Mr. Lynch's address. He professes to know what is requisite and to have secured the right sort of appliances. There can be only one opinion as to the importance of the movement. The Ontario Government has, we understand, signified approval of these improved utensils, and a desire to see them introduced generally into

the province. It remains for some enterprising capitalists to examine into the suggestion of a factory in Toronto, by establishing which they may perhaps establish a successful industry and do a lasting good to the country.

LIFE INSURANCE PRACTICE.

It has always been contended, both by fire and life insurance companies, that a policy on which the premium was due and unpaid at the time the property was burned, or at the time the insured died, was vitiated by the non-payment of such premium, and might be declared cancelled and the liability disavowed.

The United States Supreme Court has within a few days decided, however, that if the Company had on previous occasions accepted the premium several days after maturity, thus adopting a course of action which led the insured honestly to believe that by conforming thereto a forfeiture of his policy would not be incurred, followed by due conformance on his part, this "will and ought to estop the company from insisting upon the forfeiture, though it might be claimed under the express letter of contract." Now it has been claimed, on behalf of insurance companies, that notices of the due date of premiums were sent to policy-holders merely as a matter of courtesy on the part of the companies to their patrons. But the court decides that if the insured had a right to expect the customary notice—this right arising from the invariable usage of the companies to send such notices—and was ready upon receipt of it to pay the premium, a failure on the part of a company to transmit such notice was sufficient to defeat the operation of the forfeiture clause. This decision, says a New York journal, greatly strengthens the position of policy-holders, and will operate to protect them and their representatives from a practice which often works cruel injustice.

The case, which involved principle, came before the tribunal named on the 23rd ult. The decision was to the effect that the Phoenix Mutual Life Insurance Company of Hartford must pay a policy in the case of a man who was killed on the railway a few days after payment of the premium was due. The circumstances were these: Mrs. Caroline R. Doster having recovered a judgment against the Phoenix Mutual Life Insurance Company of Hartford, in which her husband was insured, the case was appealed to the Supreme Court. Mr. Doster had been killed by a railway accident, and it was found after his death that the premium for the current year upon his policy was several days overdue and unpaid. The existence of a forfeiture clause in the policy in case of non-payment of premiums punctually was admitted, but plaintiff maintained that on several previous occasions the company had accepted payments of premiums several days late, thereby waiving the forfeiture clause; also that the company had neglected to forward the usual annual notice of the amount of the last premium, thus relieving the policyholder from responsibility in failing to make the payment punctually. The United States Supreme Court, in sustaining the plaintiff's

claim on both points, held, as reported by the Philadelphia Record, "that any course of action on the part of an insurance company which leads a policy-holder honestly to believe that, by conforming thereto, a forfeiture of his policy will not be imposed, followed by due conformity on his part, will and ought to estop the company from insisting upon the forfeiture, even though claimed under the express letter of the contract. The failure to transmit the usual annual notice, if the policy-holder had a right to expect it, was also sufficient to defeat the operation of the forfeiture clause." This decision seems based on good sense as well as on good law. It would seem that policy, no less than justice dictated the payment of this claim. The companies have more to gain by liberality in such circumstances than by rigid exaction of conditions which some of them wink at upon occasion.

FIRE-PREMIUMS AND LOSING COMPANIES.

Probably no business in America which employs so large an amount of capital as that of fire insurance is continued from year to year with such unsatisfactory results. And the worst feature is that the outlook for an improved state of things is as unpromising as ever. Almost any change would be welcome, for the present demoralized condition of the business of fire underwriting has become painfully monotonous. It would seem from present indications that the time is not far distant when it will be simply a question of the survival of the fittest. Insurers who consult their own interests should avoid companies which propose to them to write policies at reduced rates. It is only a question of time with the companies that systematically practice undercutting. Of course the stronger a company the longer it will survive and undersell its policies. But the time must come when its policies will cease to insure those who accept them. And this is what is not only disappointing but often disastrous to those who have risked their property.

Since the suspension and re-insurance of the Manhattan Insurance Co. in New York, last week, which event occurred without any unusual losses or extra pressure, attention has been called to the question of the stability of companies and the present unsatisfactory condition of fire underwriting. The New York Bulletin gives the names of sixty-six companies, in that State alone, that have either retired or failed since January, 1871; and in all the States no less than 355 companies are reported as having failed or ceased to do business. Of this number, more than one-third ceased to exist after the great fires in Chicago and Boston. The aggregate capital of these companies is stated by the Bulletin to be over \$100,000,000. The list covers the withdrawals of companies in 30 States during the period named and down to the present time. Included are also four foreign companies—one each from Canada, France, Germany and Scotland—whose managers thought discretion the better part of valor and withdrew from the United States in the best order possible.

"If anything were needed," says that journal, "to prove the average unprofitable-