

A COMMERCIAL AGENCY CASE.

The other day, an American lumber merchant sued a commercial agency for \$10,000 damages, on the ground that the rating given by it misrepresented him. The court gave verdict for the defendant company, sustaining its argument, which was that the plaintiff refused to furnish information usually obtained from the business men, and that the agency was therefore obliged to make an estimate from outside sources, which was done, it was claimed, without any malice. The *North-Western Lumberman* upholds the cause of the commercial agency in question, considering its business one which, in the present state of the credit business, is proper and indeed necessary. This case was significant as indicating that society asserts some measure of oversight in regard to private affairs, and that these claims are upheld by law. "Society, represented by government officers, goes to every man once in ten years, for census purposes, and compels him to give minute details of his business. Society, represented by the courts, sustains the efforts of those who have made it their vocation to publish information as to the financial condition of individuals. General ignorance means weakness and poverty; knowledge means strength and prosperity. The man, then, who for his own advancement desires public ignorance in regard to any matter, and who resists the dissemination of information, is out of sympathy with the spirit of enlightened civilization, and a foe to progress."

But the principle upon which such a judgment is given was laid down by a jurist something like fifty years ago, thus: "It is for the interest of society that investigation should take place in all cases where there is reasonable and probable cause for enquiry"; and he added: "the common and daily intercourse of mankind for the purposes of business, the ordinary exigencies of society, require that communications be made, though they may be prejudicial to particular individuals, and it would be vain and impolitic to endeavor to prohibit them."

HALIFAX CHAMBER OF COMMERCE.

The committees chosen for 1886 by the Halifax Chamber of Commerce, at a recent meeting, were as under. Mr. Peter Jack is treasurer and Mr. Chas. M. Creed, secretary:

EXECUTIVE COMMITTEE.

W. C. Silver, (president), Robert Pickford, J. C. Mackintosh, (vice-presidents), Hon. A. G. Jones, W. Robertson, E. Farrell, Edward Stairs, W. Roche, jr., Geo. Mitchell, John Doull, T. E. Kenny, J. S. Maclean, D. F. Power, James Morrow, Geo. E. Boak, J. A. Chipman.

SUB-COMMITTEES.

Arbitration.—T. E. Kenny, (chairman), J. S. Maclean, W. Robertson, G. Mitchell, James Morrow.

Appeal.—W. C. Silver, Peter Jack, R. Pickford, J. C. Mackintosh, Charles M. Creed.

Committee No. 1.—To be charged with all questions relating to the fisheries, fish inspection laws, etc.—Hon. A. G. Jones, (chairman), M. Carney, Geo. E. Boak, William A. Conrod, F. S. West, G. Mitchell.

No. 2.—Foreign trade and commerce.—R. Pickford, (chairman), James Morrow, Wm. Roche, jr., I. H. Mathers, E. G. Kenny, Edw. Stairs.

No. 3.—Pilotage, harbor regulations, lights, shipping and quarantine.—J. T. Wood, (chair-

man), W. A. Black, W. Roche, jr., W. Robertson, E. O'Bryan.

No. 4.—Financial matters, tariffs and insolvent laws.—J. C. Mackintosh, (chairman), T. Fyshe, P. Jack, H. H. Fuller, John Smith, G. Faulkner, J. Jack.

No. 5.—City taxation and trade licenses.—J. S. Maclean, (chairman), E. G. Smith, A. M. Payne, A. M. Bell, B. W. Chipman, E. D. Adams, W. J. Allison.

No. 6.—Internal trade, railway, rates of transportation, postal and telegraph lines.—W. Roche, (chairman), A. Stephen, jr., D. F. Power, J. A. Chipman, Dr. Farrell, Hon. A. G. Jones, T. E. Kenny, Hon. I. G. Power, G. E. Boak.

No. 7.—Manufactures, mining, etc.—John Doull, (chairman), G. J. Troop, John Starr, G. Mitchell, J. Morrow, G. Morrow.

A meeting was held on the 7th instant, at which the chief fish inspector, Mr. Ryan, reported gross violation of uniformity in packing, nay, "nefariously dishonest packing" since the compulsory inspection law was abrogated. It was resolved that the recommendation of the annual report of the chamber for compulsory inspection of pickled fish be pressed upon the government.

The subject of the bankrupt act was introduced by the president, who illustrated the necessity for a more honest and stringent law on the matter, prohibiting alleged preferential claims and stopping the encouragement to young merchants to go ahead loosely and make an assignment without sufficient cause. Mr. Dwyer thought the great point was to prevent fraudulent assignments, which was the chief reason of the suffering.

Correspondence.

GOVERNMENT SAVINGS' BANK DEPOSITS.

To the Editor of the *Monetary Times*.

SIR,—There are some points in the recent "Budget" remarks of the Finance Minister on this subject which appear to call for notice.

For instance, he says that the Government pay gross interest on their debentures sold abroad, 4.33 per cent., and that, therefore, it would be unfair to offer the depositor here less than 4%.

1. Does he bear in mind that the debentures are for a long period and cost, necessarily, little for management while the deposits are payable at call and must cost a good deal for management.

2. Does the Government keep a cash reserve sufficient to meet their call deposits. If so, what do they estimate the loss of interest which the keeping of that reserve entails, and what per centage would that loss add to the actual rate paid by them on deposits. If they don't keep such a reserve, are the deposits safe as call deposits.

It seems to me while on this subject that if the Government have to pay on debentures 4.33%, gross interest, the Ontario Government must have done well in placing their annuities, (which were comparatively disadvantageous in consequence of repayment by instalments and absence of coupons), to pay purchaser 4.25%, and the City of Toronto still better to sell their forty year debentures to pay 4%. Good town bonds can also be disposed of to pay purchaser 4.37 to 4.50.

The Minister says that the reduction of the Government debenture interest rate is due to the wise legislation of the Government. If that is true how does he account for the fact that they are paying all but as high a rate as a town of 3,000 or 4,000 people.

I am not discussing the policy of paying a high rate of interest to encourage thrift among the working classes, a policy, the wisdom of which, from the social standpoint, is generally admitted; but I am discussing the matter on the financial grounds, which, I think the Minister of Finance has very foolishly taken.

Yours truly,

X.

Toronto, 5th April, 1886.

HOW TO ESTIMATE PROFITS.

To the Editor of the *Monetary Times*:

SIR,—I have read with interest an article in your last number on how to compute the true profit on goods sold. I am anxious to learn your opinion as to the manner in which to calculate the margin I have after paying expenses.

I count profit on the cost of goods laid down. Any advance over my net cost I place to my credit. Then I charge myself with all expenses, such as salaries, insurance, rent, horse, fuel, advertising, license, private expenses, bad debts, repairs, and all incidental expenses. Last year my profits amounted to something over five thousand dollars, and my expenses to three thousand, including bad debts and making allowance for old stock.

Now I think I have come as near getting at my true position as if I adopted the method advocated by Wylie, and shall consider it a favour if you give me further light on the subject.

Yours sincerely,

C. N.

Ottawa, April 5th, 1886.

Meetings.

LANCASHIRE INSURANCE COMPANY.

The thirty-fourth annual meeting of the Lancashire Insurance Company was held in the offices of the company, Exchange-street, Manchester, on the 16th March last, Mr. Nathaniel Sheldermine presiding.

Mr. Stewart, the general manager, read the report of which we give the substance below:

REPORT.

Life Business.—During the year 533 life policies were issued, assuring £184,550, and producing in new premiums £6,114 15s. 8d. The net income of this department during the year amounted to £108,026, being an increase of £1,896 upon the previous year. The claims from 116 deaths amounted to £50,179 18s. The sums paid in lieu of bonuses amounted to £19,026, and after, providing for these and the other sums detailed in balance sheet, the sum of £22,348 5s. 10d. has been added to the life reserve fund, which has thereby been increased from £656,518 11s. 6d., to £678,866 17s. 4d.

Fire Business.—The net fire premiums received during the year amounted to £601,250, being an increase of £29,103 upon the previous year. The claims for loss and damage by fire, together with estimated amount to be paid for unadjusted losses reported to December 31, amounted to £415,338. After providing for all claims, reported losses, expenses of management, and re-insurances, there was a surplus balance of £20,730, which has been carried to the profit and loss account.

Investments.—The investments of the company produced in interest the sum of £49,208 12s. 4d., being an increase of £1,308 7s. 5d. upon the previous year's income.

Dividend and Reserve Funds.—The balance of the profit and loss account amounted to £43,007 13s. 9d., from which two half-yearly dividends at the rates of 10 per cent. and 12½ per cent., amounting to £20,715 8s. 6d., have been paid, leaving £12,292 5s. 3d., from which £6,204 16s. 10d. (being the second instalment of one-third of the estimated total cost) has been carried to the purchase account of the London and Staffordshire, and £6,087 8s. 5d. has been carried forward to next year's account. The general funds of the company are now as under:—Capital paid up, £272,986; life assurance reserve fund, £678,867; fire insurance and reserve funds, £333,639; balance carried forward, £6,087; total, £1,291,579.

PROFIT AND LOSS ACCOUNT.

Dr.	£.	s.	d.
Balance brought forward from last year	7,572	16	11
Fire insurance fund and general reserve fund	833,683	14	10
Interest and dividends	21,461	13	4
Surplus from fire business	20,730	8	11
	£933,403	9	0

Cr.

	£.	s.	d.
Dividends to shareholders, including that due January 20, 1886	30,715	8	6