

structures there, whether for lobster-canning or any other purpose. It is possible that both parties have put themselves in the wrong in this particular.

The *modus vivendi* agreed upon between Great Britain and France would not necessarily be confined to the limits of the Treaty of Utrecht. The same authority that made the treaty is competent to modify it, or to agree to a partial suspension of some of its provisions, for a time. This appears to have been done, if not in terms at least in effect; but presumably it has only been done to give time for negotiation to settle the question. The two Governments, it is conceivable, even probable, do not agree upon the interpretation of the Treaty of Utrecht, and meanwhile, till something else can be done, a mode of temporary accommodation has been hit upon. The Newfoundlanders themselves admit that the treaty might be superseded; but to demand its repeal, or rather its repudiation by Great Britain, is wild talk, unworthy of men who honor themselves and are desirous of the esteem of the civilized world. The talk of appealing to Washington in a matter where both England and France are concerned is, if possible, wilder still. No remedy is to be got in that way, and men who make threats of the kind in question do themselves great injustice and no possible good. The French have a vested right in this fishery, and as it is valuable, it is not reasonable to expect that they will consent to relinquish it without compensation. A practical way out of the difficulty might be found if Newfoundland were able to furnish the means of compensation, which in equity she might be expected to do, if she is to enjoy the exclusive privilege which she seeks. This is out of the question. Canada might consent to pay as a condition of union, but we think it would be a grave mistake for her to offer to do so.

#### FAILURES FOR THE QUARTER.

The reports of the mercantile agencies upon the failures of traders in Canada for the first quarter of the present year have been issued. That of Dun, Wiman & Co. gives the number for the three months last past at 630, with liabilities of \$5,485,000, as against 519 failures and \$4,809,552 liabilities in the corresponding months of 1889; an increase in number as well as in amount. Bradstreet's agency, on the other hand, shows a decline in the number of failures but an increase in their liabilities, the figures being: 502 failures in three months this year, with liabilities of \$4,873,000, as compared with 536 failures, aggregate liabilities \$4,597,000, in three months of last year. We are not particular to reconcile the discrepancy; either set of figures is bad enough, whether the 7 failures of traders per day for the last ninety days, according to the one, or the 5½ failures in each twenty-four hours according to the other. Evidently the bad season has told upon the army of weak traders.

If the figures of the first-named authority be taken as more correct approximations to the truth, the average liabilities of each trader are smaller this year than last. This might be taken to mean that stocks of mer-

chandise were generally reduced. But if, as appears from both sets of figures, the failed traders owe in all more this year than the same period of 1889, there is slender ground for belief that importations of merchandise or the output of home manufactures were reduced in the salutary direction some people hoped for. It is to be said, however, that importations for the present spring seem to have been on a more prudent scale.

We give the comparative figures of Dun, Wiman & Co. for the first quarter of 1890 and the first quarter of 1889:

| Province.        | 3 months, 1890. |                  | 3 months, 1889. |                  |
|------------------|-----------------|------------------|-----------------|------------------|
|                  | No. fail'r's.   | Amount liab'l's. | No. fail'r's.   | Amount liab'l's. |
| Ontario.....     | 353             | \$2,451,233      | 263             | \$2,320,425      |
| Quebec.....      | 194             | 2,433,466        | 183             | 2,035,738        |
| New Brunswick..  | 22              | 108,645          | 19              | 115,600          |
| Nova Scotia....  | 25              | 145,884          | 30              | 125,900          |
| P. E. Island.... | 5               | 40,495           | 3               | 39,270           |
| Brit. Columbia.. | 8               | 34,800           | 8               | 85,948           |
| Manitoba & N.W.  | 23              | 260,847          | 13              | 87,681           |
| Total.....       | 630             | \$5,485,370      | 519             | \$4,809,562      |

#### BAD ROADS.

For weeks past a serious interruption to the activity of trade has arisen from the wretched state of the roads consequent upon the soft weather. The same story comes from various parts of the country. At the Waterford fire this week the fire engine was "covered with mud," and was with difficulty got to the scene of the burning. In the County of Essex, a funeral party was delayed by the impossibility of dragging the hearse, to which four horses were attached, through the deep mud. And from the County of Kent we have a letter saying, "This has been one of the hardest winters for getting out timber which was ever known in this section. We are in hopes that the roads will soon settle, to enable us to get in our various woods."

In the counties further to the northward, such as Huron, Perth, Wellington, and Grey, there is less cause of complaint, because they have more gravel roads than in the lower tier of counties, and there is a difference of soil and of elevation. Still it is not too much to say that throughout the country generally, retail trade, lumbering, milling, and other lines of trade have seriously felt the effect of bad roads. This is, perhaps, a matter for condolence with the parties mentioned. But it is certainly a matter of reproach to the localities in question that they do not provide some better material for main roads than a simple black loam turnpike. Some people, of course, will sit helpless at their doors, and regard as a visitation of God the mud that prevents them going to town except on horseback, never dreaming that they can get rid of such a disability by proper grading, by gravel or planks, if they choose. But we should be sorry to think that such persons can ever form a typical Canadian farming community.

—The business men of Tilbury, Ont., have formed a Board of Trade. Officers of the body have been elected as under:—President, J. A. McGregor; vice-president, J. S. Richardson; 2nd vice-president, James Powell; secretary-treasurer, F. E. Nelles.

#### MERCANTILE INSURANCE.

By this term is to be understood the insurance of a merchant against loss by bad debts. That such a thing is not practicable can hardly be successfully contended when we recall how many different and at first novel applications of the principle of indemnity have been successfully made within the past quarter century, and even within the last ten years. Apart from fire and marine insurance or life assurance, we have as late products of actuarial science insurance of live stock, of plate glass windows, of steam boilers, insurance against accident, hail storm insurance, fidelity guarantee.

The great importance of mercantile insurance, under the existing conditions of Canadian business, is a reason why we give freely of our space to-day to a paper on the subject by Mr. Henry Lye, read on Wednesday evening last before a meeting of the Ontario Institute of Accountants. This meeting was attended by a number of prominent merchants and business men, and the discussion which arose upon the occasion is proof, if proof were needed, of the hold which the propositions of the lecturer have taken upon the minds of those who heard him. "It came home to their business and bosoms," as Burke has put it.

It has been resolved by the Institute to print the paper *in extenso* and circulate it. May we suggest that its circulation be not confined to members of the Institute, or to the mercantile community of Toronto. The Boards of Trade of Montreal, of Hamilton, of Halifax, and St. John should have an opportunity of giving consideration to hints and proposals which are of such living interest to every manufacturer or merchant who gives credit. The following extracts will give a tolerable idea of the scope of this able paper:—

True insurance is based upon the average of contingencies. By it the losses of the few are borne by the many, so that no one may be overwhelmed by any calamity. It considers the causes of losses and provides such safeguards as diminish their frequency and their magnitude. It investigates every claim and prevents the success of frauds. By insurance are mitigated the miseries which otherwise would result from accident and storm on land and sea; from dishonesty, sickness, fire, flood, malice, mischance, and death. By its aid the active operation of the principles of Christianity in the bearing of one another's burdens prevents the growth of that form of socialism which tends to anarchy and destruction.

The more extended its operations and the more strict its practice, the more beneficial are its results; why then should we hesitate at the adoption of new forms, its introduction to new fields or its adaptation to new uses, so long as we are careful of its principles? Have we not a very notable encouragement in the proposal of the chartered banks to insure the redemption of each other's bank notes?

Suppose that we utilize the combined experiences of merchants, mercantile agencies, and trustees in the compilation of comparative statements of

- 1st. Defaulters to traders (in number).
- 2nd. Losses to sales (in amounts).
- 3rd. Liabilities of defaulters to realization from their estates.