

and put into practice the system of sending emissaries out to scour the country on boats, trains, or by means of a horse and vehicle, to report upon the capital and credit of traders, the records of mercantile agencies have been fuller, and, we believe, more accurate than in any other country. Valuable as are these data and the records of failures made by such concerns, they are not all that they might be; but it is equally true that a judicious use is not always made by their patrons of the tidings, incomplete or cautionary as they often are, gathered by such agencies. There is a disposition to rely too much upon credit reports or book markings, and the question asked by a dispenser of credit is too often: "How much credit will this trader stand upon this report?" instead of "Should I open a credit account at all upon so uninviting a report?" So keen is competition, so cheap has credit become, that these agencies, like the commercial travelling system, are relied upon to an extent beyond their proper function. Designed for "the promotion and protection of trade," they are made, like the salesman on the road, a part of the machinery of overtrading, and their misuse results, sometimes, in the bad debts they were intended to avoid. Still, to do business without either now-a-days would be like

Dropping buckets into empty wells  
And growing old in drawing nothing up.

The Bradstreet Company, whose interesting brochure entitled "A Record—not a Prospectus," is before us, has been established for more than forty years—since 1849 in the States and since 1867 in Canada. It has nearly a hundred offices and more than a million (1,063,000) names of traders rated for capital or credit or both, and 12,299 of them failed in the year 1890. We take from the pamphlet the following percentages of numbers of business failures in the United States and Canada, during 1890, classified as to causes:

Failures due to	Canada, per cent.	United States, per cent.
Incompetence.....	19.	18.8
Inexperience.....	4.1	5.7
Lack of capital....	55.8	37.9
Unwise credits....	3.1	4.7
Speculation (outside)	2.7	5.6
Neglect of business..	2.7	3.6
Extravagance.....	.5	2.1
Fraudulent disposition.....	1.8	3.9
Disasters.....	5.9	12.7
Failures of others..	2.3	2.4
Undue competition..	1.8	2.3

Thus, in the States about 82 per cent. of the failures of the year is estimated by Bradstreet to have occurred primarily through faults of traders themselves, and about 18 per cent. failed owing to influences beyond their control. While in Canada, on the same authority, 90 per cent. of the failures were in the former category, and 10 per cent. in the latter.

—A decision has just been rendered by the United States Court in the Second Judicial District of New York, which, says the *Times* disposes of a question in the admiralty law of that country never before passed upon. From the nature of yachts and the amount necessarily spent in painting, gilding, and polishing, it is apparent that in slight collisions with tugboats or other working vessels, yachts would always get the worst of it, and to yacht owners there has heretofore been no compensation such as has always been allowed the owner of a vessel engaged in trade under similar circumstances. The decision in question is in the case instituted by the sailing master of the steam yacht "Lagonda" against the tug "J. A. Garfield," to recover damages sus-

tained in a collision. Inasmuch as the testimony of witnesses showed that the yacht could be chartered for a season of three months for \$6,000, and there was no reason to suppose that she could not have been chartered for the eight days, during which she was detained for repairs, the court decides that her owner is entitled to recover \$552, the amount she would have earned.

—The People's Bank of Halifax has three agencies in Nova Scotia and three in New Brunswick, namely, at Wolfville, Lunenburg, and Mahone Bay, at Edmundston, Woodstock, and Shediac. The annual meeting was held on the 17th ult. From the report received last week we gather that net profits in 1890 were \$61,212. Six per cent. on the capital was divided, absorbing \$36,000; \$20,000 was added to Reserve, over \$5,000 to Contingent Account. The Reserve is now \$90,000. A comparison of the figures for 1888 and 1890 shows a marked increase of business resulting from the recent extension of the bank's operations. Thus:

Circulation—Jan. 31st, 1889, \$171,383.24; Jan. 31st, 1891, \$431,447.68. Deposits: Jan. 31, 1889, \$312,366.04; Jan. 31st, 1891, \$539,002.27. Net Profits: Jan. 31st, 1889, \$39,034.68; Jan. 31st, 1891, \$61,212.54.

The directors urge the necessity for an issue of new stock, which has accordingly been advertised. The paid capital is at present \$600,000, and reserved funds, \$104,000, current discounts and cash credits amount to \$1,566,000, government loans to \$60,000; specie, Dominion notes, and immediately available assets, to \$205,000. The head office premises in Halifax have been rebuilt, and vastly improved. The banking room is now roomy, convenient and attractive. The change is in accord with the recent more enterprising disposition of the institution, and does credit to the management.

—Last week, in noticing the suspension of the American Loan and Trust Company, of New York, we quoted from the *United States Review* a paragraph respecting a deposit of \$250,000 made in that institution by the Mutual Reserve Fund Life Association for the prompt payment of death claims. There appeared to be a question whether the deposit was quite safe. In regard to this, we have a letter from Mr. McMurtry, the Toronto agent of the Mutual Reserve, enclosing an assurance from Mr. Harper that the money thus deposited was entirely withdrawn before the Trust Company closed its doors. For the sake of policy-holders we are glad to hear this. Mr. McMurtry also takes us into his confidence regarding other investments. We are told that the Mutual Reserve has over two million dollars secured by first mortgages on city of New York real estate; \$200,000 on deposit with the N.Y. Insurance Department; \$102,325 with the Canadian Insurance Department; \$97,500 with the Bank of England, and \$54,834 with the Insurance Department of France. The latest financial exhibit of the association shows that the total receipts to January 15th last were \$12,542,982, the total of death claims paid was \$9,737,532, and the reserve or emergency fund was \$2,885,441.

—A shipment of 130,000 yards of cotton cloth was sent forward from the Kingston cotton mill, over the C. P. R. for China, recently. A like shipment was made in January. The *News* learns the total export of cotton to China from the Kingston mill, during the past twelve months, was 2,000,000 yards, or 615,460 lbs. This was in addition to the mill's output for the Canadian trade.

## Meetings.

### THE TEMPERANCE AND GENERAL LIFE ASSURANCE COMPANY.

The fifth annual meeting of the Temperance and General Life Assurance Company was held in its offices in Toronto on the 11th of March, 1891, when a large attendance of guarantors, policy-holders and agents was present. The president, the Hon. G. W. Ross, was called to the chair, and read the following

#### REPORT.

Your directors have pleasure in presenting their report and financial statement at this time, as they feel that the general improvement which has been made during the past year in every important feature of the company's business must afford satisfaction to both guarantors and policy-holders.

During the past year 1,168 applications for \$1,510,000 of insurance were received. Of the risks offered 1,073 for \$1,313,000 were accepted and policies issued. At the end of the year 1,047 of these policies for \$1,277,000 were reported as taken and paid for, leaving as declined, not completed, and not taken up, 121 risks for \$233,000.

Our insurance in force at the end of the year was \$3,484,003 under 2,445 policies upon 2,276 lives, being an increase of \$443,031 of insurance, 488 policies and 499 lives during the year.

The business in force is divided as follows: In the temperance section there are 1,812 policies for \$2,283,956.

In the general section there are 630 policies for \$1,200,047.

Our cash income from premiums and interest for the year was \$92,836.36, being an increase of \$14,800.12 over that of the previous year, while our entire death losses were only \$11,240 on seven lives, \$7,000 of the amount being for re-insurance on two lives.

Our assets for the protection of policy-holders were \$155,493.91 and our liabilities \$78,592.09, as shown by last year's report, while these items in our present financial statement are placed at, assets \$195,212.86 and liabilities \$112,661.10, giving us an increase of surplus on policy-holders' account of \$5,650.

Our mortality has continued to be very low, indicating a careful selection of risks in the past, and it has been and is the desire and effort of the medical referee and manager, by careful study and close inspection of all risks, to still further improve our selection of risks. We must, however, look for some, if not a considerable, increase in our ratio of mortality in the future, as the age and magnitude of our company increases, for it has been very much below that of other companies.

Our plans of insurance, policies and equipment have all been revised and materially improved, as well as our organization for both office and field work, and we are now doing more effective work at a less ratio of expense than formerly.

Your directors have great pleasure in bearing testimony to the faithful and efficient work that has been done by the company's agents and other officers.

A careful and complete audit of the books and accounts and detailed investigation of all securities and papers in connection therewith, except such as are vouched for by the insurance department, was made independently and reported upon by both your auditor and the auditing committee of the board. Both reports express satisfaction, and will be found appended to the financial statement.

By section 9 of the Act of Incorporation all the directors retire, but are eligible for re-election.

Geo. W. Ross,  
President.

After reading the report the Hon. G. W. Ross, president of the company, in moving its adoption, called attention to the very satisfactory progress of the company during the year, pointing out the fact in every important feature denoting progress large gains had been made.

Mr. R. McLean, vice-president of the company, seconded the adoption of the report, which was carried unanimously.

#### FINANCIAL STATEMENT.

##### Receipts.

Cash on hand and in banks 31st  
December, 1889 ..... \$ 10,127 97