

London and Smith's, for instance, are down £89,000 when compared with the corresponding half-year of 1907, and those of the London and Westminster by £63,000, while three London banks have been compelled to make a reduction in their dividends. This reduction, however, is offset to some extent by the advances which two of the smaller provincial banks find themselves able to make, so that, on balance, the result of business during a very trying period is by no means unsatisfactory. This year, fortunately, the banks have not found it incumbent upon them to allocate large sums for the depreciation of investments, although, as previously mentioned in these letters, there are authorities who consider the price at which those are now taken into bank balance sheets, fully high—an opinion which is corroborated by the present dullness and uncertainty which surrounds the gilt-edged market. The speeches of bank chairmen have, on the whole, been remarkably cheerful, and one is glad to know that so eminent an authority as Sir Felix Schuster takes a favourable view of both our commercial and financial prospects during the current year.

Board of Trade Introducing Insurance Legislation.

The Board of Trade is doing useful service just now by its efforts to deal with insurance and kindred evils. Last November, as your readers will remember, it issued a warning regarding the methods of bond investment and house purchase companies, whose conduct has not been exactly free from guile. It is now announced to be turning its attention to fire insurance and the doings of those numerous small companies transacting this kind of business which spring up every year. The suggested legislation will put new fire companies on a level with life companies, and require them to deposit £20,000 with the Government before beginning business. It is a little difficult to understand why this distinction between fire and life companies has not been obliterated long ago. The reform is one which will be of benefit both to the well established fire companies, to whom the deposit will be no hardship, and to the public, who by this provision should be effectually protected from mushroom undertakings without capital or resources. Insurance matters promise to take a prominent place in the coming Session of Parliament. In addition to this fire question, the matter of "P. P. I." policies will doubtless be brought forward, and possibly, we shall hear a good deal of the Government's new scheme for state insurance.

METRO.

MR. CHARLES STANSFIELD, superintendent of the Metropolitan Life Insurance Company, district of Montreal, since the company's advent here 15 years ago, has been appointed to fill a similar position for the Company in Philadelphia, in a wider sphere. A large business has been built up by the company in the Montreal district under Mr. Stansfield's management. The agents and assistant superintendents under Mr. Stansfield's supervision presented him with a handsome souvenir a few days ago, as a token of their respect and esteem. Mr. Stansfield commenced his insurance career with the Metropolitan, 30 years ago, and has the distinction of being the fourth longest service manager in the field.

PRIVY COUNCIL DECISION IN DOMINION STEEL-COAL APPEAL.

**Steel Company's Main Contentions Sustained—
Canadian Courts to Assess Damages.**

Yesterday morning the Judicial Committee of the Privy Council rendered judgment in favour of the Dominion Iron & Steel Company; their Lordships holding that the decision of the Supreme Court of Nova Scotia—from which the Dominion Coal Company appealed—should be affirmed. But the end is not yet. The remedy ordered calls for specific assessment of damages by the Nova Scotia court, so that the day "for differences of opinion" has not yet passed.

The judgment was read by Lord Atkinson, in consequence of the death of Lord Robertson. After reviewing the facts of the case in detail, their Lordships stated that it was not one wherein it was necessary to go beyond the definite phrasing of the contract. The Coal Company's contention that the words "reasonably free from stone and shale" meant only that coal supplied should be picked over with reasonable carefulness, was not sustained. The words were held to mean that the coal must be "reasonably free in fact as in function."

Nor was the initial paragraph of the contract considered by their Lordships as merely furnishing a measure of supply, as contended by the Coal Company. Instead, its inclusion in the contract was taken as specifying precisely and in detail the various uses to which the coal to be supplied was to be put. And there would be no object in doing this if the Coal Company was not concerned with the suitability of its coal for these uses. All in all, the clause was held to suggest that the suitability of run-of-mine coal for the uses indicated was within the contemplation of the parties when they entered into the contract.

Paragraphs 4 and 9 of the contract imposed on the Steel Company a ninety-year obligation to purchase all the coal it required from the Coal Company, and further provided against re-selling without consent of the Coal Company, unless the latter refused to repurchase it at \$1 per ton, i.e., 20 cents less than cost price. These provisions, their Lordships maintained, would mean complete and speedy ruin of the Steel Company, if 90 per cent., or even much less, of the coal supplied were unsuitable for its operations. So that these provisions also, were taken as determining that 90 per cent. of the coal was to be reasonably suitable to the Steel Company's working requirements. Their Lordships pointed out, however, that it by no means followed from this construction that the Coal Company was absolutely bound during the long period of ninety years to supply from designated seams of this kind to the amount required, however great. But they were bound to supply, from the designated seam or seams, coal reasonably suitable in quality for the purposes of the Steel Company, in so far as such coal could be obtained by reasonable and proper working of the mines opened or to be opened therein.

Their Lordships stated that this places no onerous burden upon the Coal Company, sufficient compensation being to their minds provided for in