

security prices are notoriously uncertain. Several years ago a New York banking house offered to refund the Mexican debt, but the Mexican finance minister was unwilling that the security should be listed in a market so full of alarming and eccentric courses as that of New York. The fluctuation in the call loan rate, unequalled for range in any other financial centre of the world, and the stormy rise and decline of security quotations are correlative phenomena. But why should call loans diverge so widely and so frequently from what may be designated a normal course without pretending to say what a normal course is? In the commercial discount market, the rate does not vary quite so extensively, though, if the rate is properly comparable with the official minimum of some of the great European banks it wobbles as if the foundation of commercial credit in this country stood on quick sands. Contrast the New York rate for prime commercial discounts during any period of time with the minimum rate of, say the Bank of France for the same period!"

The rates below for New York and London, refer to prime commercial paper; and for England, France and Germany, to the official rate:

1902.	New York.	London.	England.	France.	Germany
Aug.....	4½	5	2 9-16	3	3
Sept.....	5	5½	2 13-16	3	3
Oct.....	..	6	3½	4	3
Nov.....	5½	6	3½	4	3
Dec.....	3½	6	3½	4	3
1903.					
Jan.....	..	6	3½	4	3
Feb.....	4½	5	3½	4	3
Mar.....	5	5½	3½	4	3
Apr.....	5½	6	3½	4	3
May.....	5	5½	3½	4	3
June.....	4½	5½	3	3½	3
July.....	5	5½	2½	3	3
Aug.....	5	6	2½	3	3
Sept.....	4½	6	3½	4	3

Uncertainty as to the rate of discount hampers commercial business. Contracts for delivery of manufactures are often made for periods extending over a year or longer. When the payments are due for such goods, in bills, at three or four months, it is a serious matter for the manufacturer to have to put such bills on the market, when the rate is high. The only safe course for him is, to charge enough for his goods to cover what may be termed the insurance on his future discounting; which means, a higher price for his wares than they could be sold for, were the rate of interest steady. When the effect of this is traced out, it is found that, all consumers pay a tax on the goods they purchase, to cover the uncertainty in the rate of interest, or discount. These conditions introduce a speculative element into business to which some firms owe their downfall. A large iron-master, in England, once said: "I would prefer to have discount at 6 per cent. continuously, as the fixed rate, rather than rates jumping about between 2-1-2 and 5; for, when the rate is fixed, we can go

ahead and quote prices a long way ahead, and know what our goods will net; but, with the rate on the jump all the time, we are uncertain how trade is going to turn out, and contracts are too speculative."

THE GREAT WEST LIFE WITHDRAWS FROM A LIBEL SUIT.

The action taken by the Great West Life against Mr. McBride, the manager of the North American Life at Winnipeg, has ended very ingloriously for the plaintiff. The suit was brought to obtain \$10,000 damages on account of a libel alleged to have been published by defendant.

Mr. McBride having submitted himself for examination, wished Mr. Brock, the managing director of the Great West Life, to also appear. As he declined to do this the action was withdrawn and the plaintiff company, the Great West Life, had to pay the costs.

Great publicity having been given to this case by the Great West Life, when its collapse was not anticipated, it is only just to Mr. McBride that the above statement, showing how the suit against him was withdrawn, should also be given all possible publicity.

The Great West Life has also had a "scrap" with the Canada Life, by putting out an electric sign, "The Great West Life the Best Company in Canada," over its Winnipeg office, which is in the building owned and occupied by the Canada Life. As Mr. Brock refused to remove this sign an action was brought to compel its removal, which resulted in a victory for the Canada Life.

PROMINENT TOPICS.

As we have not yet received the Montreal Fire Insurance Statistics from all of the companies, we are unable to give the results in this issue. We hope, however, to publish them next week. There is a great deal of claptrap talk about the fire insurance business in Montreal, which is entirely wide of the subject. While some improvements have been made in connection with the fire protection, yet it is far from perfect, and a city of the wealth, size and importance of Montreal, should have fire appliances, including water pressure and other essentials amply sufficient for this great and growing city. The experience of the fire insurance companies in the past is of such a nature that in justice to their policyholders, they must insist upon the improvements outlined being carried into effect. These are so manifestly in the interests of the citizens of Montreal, that every effort should be made to comply with them. We have had altogether too many disastrous fires here, and the possibility of their recurrence should be avoided.