"The one serious mistake that will be made if the scheme, as above outlined, and its objects, as therein indicated, are carried out, is that of attempting to send dressed beef to Great Britain that is not of the very best quality. To endeavor to raise these 460,000 calves that would otherwise be 'deaconed' every year, and make a first-class quality of beef out of them, is simply absurd. The very reason that this large number of calves has been treated in this way is sufficient to show that it will be practically impossible to make anything but 'scrub' beef out of them, even though they are fed and cared for in the very best way.

"Why is the practice of 'deaconing,' or killing the calves, followed, anyhow? Is it not because the milk that would be required to raise the calves is wanted for the cheese factory or creamery? If so, then these 460,000 calves 'deaconed' every year in the Province of Quebec, are the offsprings of cows bred and kept for dairy purposes only, and not for the production of beef. How absurd, then, is it for the promoters of this gigantic abattoir scheme to talk of saving these calves and raising them for the export trade in dressed beef!

"Every shipper and exporter of live cattle to Great Britain or of dressed beef knows that each shipment must be of the very best quality in order to meet the needs of the export trade. This high quality required cannot be produced from cattle bred and fed for dairy purposes, as the cows of Quebec have been during the past twenty-five years."

LESS TRAFFIC THROUGH THE "SOO" CANAL.

Traffic was not as brisk through the Canadian canal at Sault Ste. Marie, during the past month, as might have been expected. Official reports to the Department of Railways and Canals indicate a considerable diminution in the volume of trade. Up to the end of June the number of vessels locked through the canal this season, was 1,506, an increase of 400, as compared with the season of 1897, to that date; while the amount of freight passed through was 1,419,197 tons, an increase of nearly 400.000 tons, as compared with the corresponding period of last year. The falling off, during the month of July, however, has been such as to reduce the total traffic for the present season, thus far, considerably below the total for the corresponding period of last year. Up to the 31st of July 2,056 vessels were locked through, carrying 1,786,477 tons of freight, against 2,003 vessels and 2,205.822 tons of freight locked through last year up to the 31st of July. Comparing the traffic in freight, there was a falling off of nearly six hundred thousand tons during July. This year the canal opened on the 11th of April, and last year on the 21st.

FEAR OF INCENDIARISM.

We are asked to state the results of concealment of danger from incendiarism at the time of effecting an insurance policy. Several cases have been decided in Ontario and other provinces, on this point. The decisions have hinged upon the imminency of the belief in the danger, and have varied with the circumstances. Several months before a policy was issued, in the heat of an election contest, the threat had been made to the assured that his building would be burned. An omission to give information of this threat at the time of insurance was held not to amount to concealment of a material fact. In Findley v. North American Fire Insurance Company, where in the application the assured untruly answered "no" to the question whether his property was in danger from fire by incendiary, the policy was held voided. The difference in the decisions was simply a matter of different circumstances; in the latter case the danger was such as would put an ordinarily prudent man on his guard, while in the former case it was most reasonable that the threat should not be taken seriously. As has been said, (Judge Armour dissenting in the judgment of Campbell v. Victoria Mutual), "The question should be construed strictly with reference to some particular ground of fear, otherwise the answer "no," referring to the first part only, viz.: "Is there reason to fear incendiarism" would be in every instance untrue, for every insurance is effected because the assured fears the happening of fire by accident, neglect or design.

SPECULATION IN FUTURES.

The bill introduced by Mr. Parmelee into the Dominion House of Commons last session, to protect dairymen from improper speculation in cheese, is not to become law without an opportunity for those interested in the matter to express an opinion as to its merits. The bill proposes a penalty, for the first attempt, of $500, with or without three months' imprisonment; and for the second offence a fine of $1,000, with or without six months' imprisonment, upon every one selling, or offering to sell butter or cheese not manufactured at the time of such offer. The bill further provided for the appointment of officers and the making of regulations by the Governor-in-Council for the proper enforcement of the act. Mr. Parmelee's bill was referred to the House Committee on Agriculture, which reported in favor of obtaining the views of the butter and cheese trade before advising its enactment. To this end the secretary of the committee, Mr. J. H. MacLeod, was instructed to forward circulars to salesmen of cheese factories and creameries, dairymen's associations, exporters and others, asking their opinion as to the desirability or otherwise, of such a measure as Mr. Parmelee's, a copy of which is enclosed with each circular. The secretary is now engaged in forwarding these requests to all concerned—no small task by the way—there being in the proivnce of Quebec, 1,467 cheese factories and 807 creameries, and in the Province of Ontario, 1,152 cheese factories and 200 creameries. Thus it is expected that the views of about 5,000 persons interested in the matter will be received in reply to the committee's circular. Legislation of this description is a dangerous experiment. As a rule we are adverse to any interference with the freedom of merchants to trade as they please, and we are pleased to know that so wide an expression of trade opinion will be secured as to the conditions of the bill before it becomes law.

BRITISH INSURANCE COMPANIES.

It was not expected that the British fire insurance companies would make a very good showing last year in view of the two great fires at Cripplegate, in the City of London, and at Melbourne, in which they were interested. The Insurance Observer, of London, says: "Of forty prominent companies, there are only five which show a trading account deficit, and none of these is of a very serious nature. These companies "show a total premium income of £18,337,577, an increase of £252,642 over the corresponding figures for the previous year. The principal portion of this increase is provided by the Manchester, £119,112, and is largely due to the inclusion in that company's accounts of the business of the American Fire of New York, taken over by it in the course of the year. The losses, £10,379,546, show the very fair ratio of 56.6 per cent., and the expenses, £6,251,339, a ratio of 34.0 per cent.; the general trading account thus coming out with the satisfactory surplus of 9.4 per cent. For the previous year the average loss ratio of the whole of the British fire insurance companies, as shown by the 'Finance Chronicle,' chart, was 56.2 per cent.; the expense ratio, 34.0 per cent., and the trading profit 9.8 per cent. The slight decrease in the trading account surplus may well be put down to the two fires named, while the fact that the expense ratio has remained stationary is particularly satisfactory in view of the tendency to unavoidable increase—State taxes, etc.—in the cost of the American and foreign business. Taking the average trading profit of 9.4 per cent., twenty-one of the forty companies show a larger trading profit than this, fourteen a smaller one, and five a trading account loss, a general result of very high excellence. On the premium income of £18,337,577, the 9.4 per cent. surplus represents £1,723,732, but to get the true profit, allowance has to be made for the increase of unexpired liability, due to the increase of £252,642 in the premium income. Taking this on the basis of 33 1-3 per cent., there is a sum of £84,214 to be deducted from the surplus, giving the correct trading account profit for the year as £1,639,518. This seems a large amount, but 9½ per cent. is not too high a return in an exceptionally good year, and in view of the great risks involved—risks the magnitude and reality of which were demonstrated in London and Melbourne during the year. American business contributed largely to the excellence of the year's results, the American figures being of