

this showing was about what might have been expected. The Great Western managed to save a somewhat larger proportion of their increased traffic, or about 37 per cent. Owing to the different circumstances, such as long stretches of non-paying line, this difference implies neither economy in the one case, nor extravagance in the other. Working expenses on this line still keep very high, the figures for the past half-year showing a slight advance, or 77.31 against 76.87 for the first half of 1871. Fuel continues to be a very formidable item in the cost of working; and so far as wood is relied upon there is no reason to expect any amelioration of this expense, as it becomes scarcer and dearer every year. It is but natural that resort should be had to the coal of Nova Scotia under these circumstances, which is cheap and in inexhaustible supply; 40,000 tons have been already ordered for next year's delivery. A higher average rate both for passengers and freight is shown than for several preceding half years. Owing to the absence of the President in this country the annual meeting was postponed from the 31st October to the 28th November, when Mr. Potter will doubtless be able to give an interesting account of his visit to Canada.

CITY BANK V. BANK OF MONTREAL.—In the somewhat celebrated case of "Banque Nationale v. City Bank," the latter Institution has been condemned by the Court of Review in Quebec to pay the full amount demanded by the action, viz: \$106,000 with interest and costs of suit. We have not seen the judgment in full. The decision was rendered by Justices J. T. Taschereau and E. Taschereau, Stewart dissenting. It reverses a judgment of Justice Stewart in the Superior Court, rendered in January last. A principal point involved is as to the power of a Manager to bind the bank by certifying the cheques of customers. According to this ruling the Manager has no such power, and that, therefore, the bank (the Bank of Montreal) is not liable. It is an unsettled point among American jurists whether a cashier has authority to certify the cheques of a depositor even as against funds in the bank. In this case though there were no funds to meet the cheques in question, yet Sanderson, the drawer of the checks, had, it is alleged, been for a long time permitted to overdraw his account, and it is therefore presumed that the Bank of Montreal were aware of such over-drafts, and tacitly sanctioned them. Not having seen the judgment we are unaware upon what view of the case the ruling of the Court is based; but, in the

meantime we find it difficult to reconcile such a decision with right and justice.

AN ERROR IN THE BANK STATEMENT.—F. Vezina, Esq., Cashier of La Banque Nationale, writes, asking the correction of an error in the statement of that Bank, as published by us in our issue of the 25th ult. The error occurred in the official *Gazette* in the first instance, and was of a nature that we had no means of detecting, as in the case of another important blunder which we have already pointed out. Mr. Vezina's correction is:—"The sum \$610,142.96 liabilities, 'Government deposits payable after notice,' should be 'Other deposits payable after notice.' I have written to Mr. Langton to that effect, and he will rectify."

TAXES ON AMERICAN INSURANCE COMPANIES.—It is satisfactory to notice that American legislators have sufficient regard for the interests of life insurance to have removed the stamp on life policies and renewal receipts. These taxes have amounted annually to a large sum, a single company, the Mutual Life, having paid away some thousands of dollars under this head in 1871. It is most desirable that this step should be followed by others in the same direction, so that the burden of taxation shall bear upon some more suitable object than the sums set apart by prudence and forethought as a provision against the always possible contingency of death and accident.

ÆTNA LIFE INSURANCE COMPANY.—This Company, which has occupied a leading position in Canada for several years, has had a very large accession of business during the eight months of 1872 already passed. Some of our local offices will have to look to their laurels, or their operations will be eclipsed by the handsome showing that the Ætina is certain to make at the end of December. This is one of the oldest and best American life companies represented in the Dominion.

THE EXPRESS BUSINESS.—An American railway company—the Philadelphia and Reading—have determined to do their own express business and some time ago took the matter in hand. This bold step was resented by the Adams Express Company who filed a bill in the United States Circuit Court reciting the facts, and asking that the Railway Company in question be restrained from carrying on the express business of collecting, and from transporting and delivering express matter either between its own stations or beyond the termini of the line. In his answer the President

of the Railway Company assumes the full right of his company to do express business, and also to terminate the contract which it held with the Central Express Company. It would be strange indeed if such a right were denied. This case will be watched with interest. Should the Reading Railroad succeed in proving that it can make the express business as lucrative as it has been to the express companies it must follow inevitably that the railway companies will all resume this most profitable class of their freight.

PROPOSED CHANGE OF THE ERIE CANAL INTO A RAILWAY.—The novel proposition of Mr. W. C. H. Waddell, of New York, to turn the Erie canal into a railway for freights, has deservedly excited much attention across the lines. Strong opposition to such a project was to be expected, and it may be true, as alleged, that the spirited projector has not yet made out a complete case in favor of the proposed change. But it must be admitted that the proposition is practicable. The details are to turn the bed of the canal into a railway specially devoted to freighting. This could be effected cheaper than the enlargement and improvement of the canal, which is generally considered to be necessary, and when the road was completed, it would have, so its advocates contend, many advantages over the water highway. It would be open all the year round, whilst the canal is closed about five months of the year. Freights would be carried with immense engines, made for strength and not for speed, at ten miles per hour, whilst by water the rate of speed would not exceed three miles per hour even with steam power.

NATIONAL NARROW GAUGE CONVENTION.—We have been favored by Mr. Geo. Laidlaw, President of the Credit Valley Railway Company with a copy in pamphlet form of the interesting proceedings of the "Narrow Gauge Convention" held in St. Louis, June 19th last. It contains valuable facts and statistics bearing on the still unsettled question as to the comparative economy and utility of roads of a very narrow gauge. Many of the gentlemen at the meeting seem fully possessed of the genuine enthusiasm which this question of railway "reform" has aroused in the minds of many who have given thought to the subject.

NORTH GREY RAILWAY.—The track is laid to Meaford, the north-western terminus of the line, 22 miles from Collingwood, and the opening will take place some time during the current month. A misunderstanding has arisen between the Company and the municipalities respecting the Government bonus of \$2,000 per mile; it was the expectation of the latter that the bonus would be equally divided between them and the Company; this the Company object to, and the matter is now the subject of negotiation between the municipalities, the Ontario Government and the Railway Company, with good prospects of an early settlement.