

large purchase amounting to \$13,455, the goods to be delivered on payment of a cheque on the National Exchange Bank of Columbus. It appears from the report that the purchase was merely a trap for the Montreal House, the object being to ascertain if the smuggling could be carried on to a larger extent. There were no funds in the Columbus Bank, and the Montreal House naturally supposed that it had escaped being the victim of a fraud, whereas Williams never contemplated making so extensive a purchase, but satisfied himself with getting an acknowledgment of his cheque in payment of goods which, by another memorandum, were to be delivered in the United States "not less than ten miles from the border." We shall make no comment at present on the report of Mr. French, as the parties in Montreal who are charged in the report with being concerned in these smuggling transactions may deem it expedient to submit explanations on the subject.

INSOLVENCY STATISTICS FOR 1878.

The Commercial Agency of Dun, Barlow & Co. have just issued their annual report of failures in the United States and Canada, for the year 1878, from which it appears that the failures in Canada were 1697 in number, as against 1892 in 1877, showing a decrease of 195. The liabilities for 1878 equal \$23,908,677, against \$25,523,903 in 1877, decrease on the past year of \$1,615,226.

The following statement shows the amount of liabilities under failures occurring in the United States and in Canada, since the beginning of the crisis in 1873, say for the last six years :

	United States.		Canada.	
	Number of Failures.	Amount of Liabilities.	Number of Failures.	Amount of Liabilities.
1873	5,163	\$23,539,000	994	\$12,334,102
1874	5,830	155,239,094	936	7,935,765
1875	7,740	211,069,353	1,068	28,843,967
1876	9,092	191,117,781	1,728	25,517,391
1877	8,872	190,668,393	1,892	25,523,903
1878	10,178	231,393,182	1,697	23,908,677
Totals....	47,176	\$1,201,059,207	9,245	\$123,825,495

The same depression in trade has been felt in both countries, and has necessarily brought on the same results, yet, by comparing the foregoing figures, it is readily seen that Canada has been more affected by the crisis than the United States, and it may be surmised that other causes have been at work.

The amount of liabilities for the six years under review is, in Canada, \$123,825,

495 against \$1,201,059,207 in the United States, and stands as a loss of \$32 per inhabitant, the population estimated at 3,867,600, while the loss in the United States is only \$24.50 per head, the population estimated at 49,185,000 according to recent returns. The number of traders in Canada is proportionally larger than in the United States, being 56,347 and 674,741 respectively, or one trader in Canada per every 68 heads of population against one trader per every 72 in the United States; and yet, in consequence of the larger proportionate liabilities in Canada, the ratio of losses, had they fallen upon the trade alone, would have been larger upon every trader, as the proportion would stand \$2,211 to every trader in Canada against \$1,782 to every one in the United States.

The number of failures for these six years is also proportionally larger in Canada, 9,245 failures or 16½ per one hundred traders, or 2½ per 1000 inhabitants, against, in the United States, 47,175 failures or 7 per one hundred traders, being less than one per 1000 inhabitants; as a matter of course, the average liability of a failure in the United States is larger; \$25,459 against \$13,393 in Canada.

These comparisons establish the fact that Canada, where the causes that brought on the crisis were foreign, has suffered more intensely from the depression in business than the country where it originated. Ten years of expansion and wild speculation, followed by years of contraction, shrinkage and loss, developed in the United States a depression unparalleled in character, extent and duration. What forces operated to prevent the crisis from being more destructive, permitting the United States to emerge from that state of depression towards enduring prosperity? The large production stimulated by their fiscal policy brought on the resumption of specie payments and an excess of exports over imports of merchandise of close to \$300,000,000, for the past year. The increase in the farming population made up of new settlers, whose pursuits in the older States have failed, and the 20 millions of acres settled in 1878, show a prospective increased power of consumption tending to promote active production.

No such elements of recuperation existed in Canada to counteract the evil consequences of the crisis; instead of an excess of exports, during the last six years the balance of trade against the country has grown up as follows:

Excess of imports over Canadian exports :

1873.....	\$47,627,269
1874.....	49,475,750
1875.....	52,320,623
1876.....	19,478,872
1877.....	30,563,677
1878 estimated.....	20,000,000

\$219,466,191

and the settlement of new lands has not been proportionate to that in the United States.

To this excess of imports over exports, and to the accumulating balance against the country, is to be attributed the intensity of the crisis. The heavy importation and the necessity of distributing it into the country, have created an army of new traders to whom credit has been too readily given. Houses possessing ample capital have been weakened by unfair competition, and failures have attained the unfortunate proportions stated above. The new tariff, it is to be hoped, will assist in developing the industries of the country, and in decreasing the balance of trade against us. Matters have reached the point when material and labor are at their lowest, and unemployed capital is likely to be tempted into new channels; undue competition for a trade barely sufficient for the support of one-half the number engaged in it will cease, and business may resume its former healthy and fair activity.

In the brief reference made to Dun, Wiman & Co.'s circular last week we were misled in copying the figures on the first page thereof, which show the failures and amount for 1878 in Canada to be much less than given above, and which the circular corrects further on. Many of our exchanges were similarly misled.

FIRE APPORTIONMENTS.

In another column we publish a letter signed "Alkali," upon the much vexed subject of apportionments of non-concurrent fire policies, in which, to state it briefly, a firm designated Jones & Brown insure their stock in office A for \$5,000, said partners having an equal share in the business, but Jones, considering his interest not sufficiently protected, takes out a further policy in his own name for \$2,500 in office B to cover his share only. A loss occurs on the property of \$6,000, and we are asked to give the correct apportionment.

In the first place let us remark that our correspondent makes use of a somewhat ambiguous expression, viz., "partial concurrence," for we maintain that two or more policies are either concurrent or non-concurrent, and in the example before us the latter is the only term to be used,