the very opposite of last year. By the end of October, 1869, sleighing had begun in some sections of Ontario; the farmers had not finished housing their late crops, or completed their fall work. This year we have had a singularly beautiful fall, farmers have had plenty of time to sow fall wheat, and we seldom ever knew the winter find the growing grain in a better condition.

Business has been quiet during the past few weeks, chiefly on account of the bad roads; and until they become thoroughly covered with snow, we cannot look for much improvement. There must be a large amount of produce yet in Ontario, not only in the newer townships—the crops raised in which are never marketed till winter—but in the old and well-settled districts. Between the present time and the first of March the great bulk of this will find its way to market, and render our towns and villages a bustling scene of life and activity.

The present winter promises to be brisker than the last. The business must be compressed into a smaller space of time; and, in addition to this, all classes at present feel that the country is thriving, and a more enterprising spirit is everywhere manifesting itself. The prices of farm produce are not very high, but still wheat, oats, barley, peas, potatoes, &c., command fair equivalents in money. The pork trade has opened well, considering the moderate prices offered by purchasers. Lumbering operations, another principal feature of our winter business, promise to be unusually brisk. Money is in good supply. The banks are treating customers liberally, and are not only ready to advance money enough to bring to market every article our farmers have to sell, but to carry on every legitimate branch of business.

While there is good sleighing the retail trade is invariably active. To use a common phrase, "Considerable money is going" then. The general expectation in the country districts is that a good winter business will be done, though in the city there is some difference of opinion on that point. After the "Festive Season" will come the payment of January accounts, and this year the retail trade have reason to expect, and should insist upon prompt settlements. With the exception of a few localities in which the crops were poor, customers should, this winter, be able to square off their indebtedness; and those who do not, can hardly be regarded as "good marks" for future transactions.

The approach of the New Year is a good time for the retail traders of Ontario to commence what we have so frequently urged, a reform in the injurious system of long credits. Many of them have, of late, become more careful in giving credits, at the same time offering extra inducements to cash buyers, and the general result in these cases is, less owing to importers and more ability to pay what is due. There is still much room for improvement however, in this respect. Hundreds still cling to the old, risky credit system, with all the disadvantages which it entails. The coming first of January will be a good time to turn over a "new leaf," and not only insist on payment of past indebtedness, but restrict the extent and length of credits in future.

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TERM POLICIES.—A rage for writing term policies on merchandise, appears to be the latest abuse that has crept into the practice of fire insurance in the United States. The views entertained by the managers and officers of the companies represented in the now defunct National Board, is apparent from the following resolution adopted by that body. *Resolved*, That the practice of writing policies on merchandise for a term of years is a *most pernicious* practice, and should be *discountenanced by every sound underwriter*. The *Spectator* indicates the extent to which the evil has gone, in these words:—"In Boston wool dealers are obtaining insurance for three years at one per cent; dry goods stocks are taken for five years at one-and-a-quarter per cent; stores worth one per cent per annum are written for five years at less than three per cent. We have even heard of a retail stock, above which a constant changing of numerous tenants occurs, are insured for three years at one per cent! Other merchandise stocks are written for three years at eighty cents. Again, we find a distinction, far from sensible, made between the buildings and stocks, where one per cent is the premium, on a store for five years, and sixty cents the four years' rate on the goods it holds. In this latter case, what underwriter is so inexperienced as not to know that where the building might be damaged by a fire a few hundreds of dollars, the stock *must* suffer to the extent of thousands." The explanation of this suicidal practice is reckless competition, and an utter disregard of all the known rules of fire insurance business in the pell-mell chase for premiums. Underwriters in Canada have not, we believe, yet become so insane as to adopt this practice to any noticeable extent.

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RAILWAYS IN QUEBEC.—The Quebec government have set an example to the other provinces of the Dominion, in the encouragement of railway enterprise. A grant of 10,000 acres of land, per mile, has been made, in aid of the proposed railway, from St. John, N. B., to Rivere Du Loup. The length of the road will be 80 miles, requiring 800,000 acres. This land is to be given in alternate blocks. The Railway Company agree to settle one half of the land granted in a given time, either by free grants or otherwise, but in no case the price to exceed one dollar per acre. For every laborer who works on the line for one year, in addition to his wages, he will receive a free grant from the Company of 50 acres of land, upon condition he settles on the same, and for two years labor, in addition to wages, a free grant of 100 acres, conditioned on settlement duties being performed. A grant of two millions of acres will be made to the North Shore Railway, between Quebec and Montreal, including a branch from Three Rivers, to the Piles, some 30 miles in length, and steamers being put on the lake north of the Piles. The grant will be conditioned on the road being completed, and in running order within a given time. This is instead of an old grant made by the late Province of Canada some 15 years ago, for the same object, and which has hitherto not been taken advantage of. Another grant of nearly 10,000 acres per mile, will be made, from Montreal west, to or near Aylmer, some six miles above the city of Ottawa, the length of this part will be about 120 miles.

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A BY-LAW of the County Council of Grey County, granting a bonus of $400,000 to secure the extension of the Toronto, Grey and Bruce Railway through to Owen Sound, was, on Monday last, submitted to a vote of the people. Influential delegation from Toronto and Hamilton were in the County, endeavoring, on the one side, to secure the passage of the by-law, and on the other to defeat it. The result of the voting was a majority of about 450 votes against the grant. It is probable that if the amount had been smaller the result would have been different.

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## Communications.

### THE CREDIT SYSTEM IN CANADA.

To the Editor of the Monetary Times.

SIR,—I have read with much interest and approval your frequent remarks on the injuries inflicted on the trade of Canada by what is termed the "long credit system." It appears to me that these evils could be, to a great extent, removed by a reform of our mercantile law in regard to protested bills, and by its assimilation to the law of Scotland on the subject. The Scotch law, it is well known, regards a *protested bill* in the same light as the Canadian law does a *confession of judgment*. The merchant in Scotland is thus enabled to obtain *execution* upon a protested bill in the same way that we in Canada obtain it upon a confession of judgment. If the debtor in Scotland does not consider it equitable that he should pay his protested note, he is entitled to apply to the court to stay the execution, but in doing so he must lodge in the hands of the court the amount of the note in question. There is thus in Scotland no such thing as the suing of protested bills in a court of law, and thereby a large amount of legal expenses is saved to the country. The moral effect, too, of the Scotch law is found to be most beneficial. It impresses upon every giver of a note the conviction that he must be, or ought to be, prepared to meet his obligation when it becomes due. A sense of honesty and prudence is thus fostered in the community. Here, however, in Canada, the greatest recklessness and indifference exist in the giving of notes, and this arises in a great measure from the fact that our Canadian law requires that a protested bill shall be sued in a court of law before execution can be