

brought an action against an infringer, when it was discovered, for the first time, that the patent was invalid for want of novelty. If the government receives pay for a certain privilege it is but common justice to use all reasonable endeavours to ascertain whether it has power to grant it.

The laws of all the Provinces require the deposit of correct drawings, and, where possible, models of the patented article. In future, we presume, these will be deposited at Ottawa, but we think in justice both to the inventor and the public, duplicates ought to be sent to the capitals of the local governments for public inspection; in justice to the inventor, because such a system would render his discovery widely known, introduce it where otherwise he might himself be unable to do so, and prevent annoyance from similar discoveries by other persons; in justice to the public, because it would stimulate emulation, introduce what is useful with the least delay, and create schools in technology which are wholly wanted in the Dominion. The patent office cannot properly be looked on as a source of revenue; it is rather a great means of fostering improvement by affording a safe means for the investment of capital in invention.

THE PROVINCIAL INSURANCE COMPANY.

IN another column will be found a report of the resolutions passed at the late annual meeting of this company, and the statement submitted to the shareholders by the Board of Direction. We had some difficulty in procuring a copy of the interesting document, and our curiosity was somewhat heightened by the artificial excuses given for denying us the trifling favour. It seems strange to us that officials will persist in injuring the credit of their employers by effecting coyness in matters which should be promptly laid before the public. We have no malicious designs against the Provincial or any other company. The Provincial is a local institution and we wish to see it prosper. It lives on the public and the public are entitled to know its position and its prospects. If it is doing well, none will be more pleased than ourselves. If it is doing badly, let us try and find out the cause and remove it. Nothing is to be gained by concealment. Everyone knows that the company was embarrassed and, surely, if an improvement has taken place the fact should be widely published. On the other hand, if the company is going from bad to worse, the public are entitled to know it. Systematic and studied concealment with reference to the affairs of public institutions has prevailed to a great extent in Canada. One of the objects we have in view is to counteract this and we shall not hesitate, let who will question our motives, to bring out even most disagreeable truths, and we shall take shame to ourselves if we allow prejudice or favour to swerve us from the line of right. Once for all, we make these explanations lest it should be thought that the Provincial was being singled out from its fellows.

The directors' report has some curious features. Whoever drew it up, certainly understood how to make figures look well. We incline to the opinion that there is a good deal of pretence about it; that, although the company has improved some-

what, ingenuity was taxed to magnify such improvement. The total premiums received from fire and marine policies were \$157,515 44, and the losses and expenses \$150,404 88, leaving a net difference between income and expenditure for the year ended 30th June, of \$7,110 56. We find \$10,691 59 stated as the amount "liable to be paid for losses on fire risks of the year." We presume this means reinsurance; if so, we cannot understand the item. On a fire business of \$64,283 65 we contend it should be placed at \$24,196, or thirty-seven and a half per cent. of the income. Mr. Barnes would say fifty per cent., which would bring the figures in excess of what we place them at, of \$8,035 50.

Among the assets of the company, under the head of Funds and Property, we find three items, viz: Balance at agencies, \$24,485 86; Sundry Debtors, \$45,123 56; and Salvage claims and unpaid stock, \$29,327. These three give a total of \$98,935 86, or an excess of about \$1,000, over what is put down as Capital called in—\$97,889. How does it come that about \$25,000 are allowed to stand out in the hands of agents while the bank account of the company has run down to \$1,188 05! Who are those Sundry Debtors who have \$45,123 56 of the company's money? In fact, are these so-called assets worth anything? The auditor's report does not refer to the nature of these amounts as securities. We find, further, an item of \$56,206 59 stated as "all ascertained liabilities including unpaid losses as above." We presume this will be met from the proceeds of \$30,409 29 bills receivable, \$5,250 debentures and stock and what may prove good of the first stated three amounts. What, we ask, will then be left to show for the capital called in, or whence arises the "net profit on the year's transactions" stated to be \$37,156 61!

The fire and marine income reaches \$157,505 44. By adding something strangely enough derived "from other sources," the sum of \$187,561 49 is made up. Does this additional \$30,046 05 include calls paid! We cannot ascertain from the proceedings how the amount can be increased in any other way. If that is the case we think it very unfair to place the difference between income from all sources and the expenditure incurred in the conduct of the business as a "net profit" thereby leading to the belief that the surplus of \$37,156 61 could be divided amongst the shareholders, and that the company had a surplus over its liability to the shareholders of \$5,500 69.

As it is, there appears to us to be considerable room for explanation. If we have made any mistakes or construed the report erroneously, we are open to correction, but until we are afforded further light we must hold to our opinions as above expressed.

INSPECTION OF FLOUR AND GRAIN.

This matter is just now in a most unsatisfactory shape, so far as the Toronto market is concerned. We had a Flour Inspector until recently, and a very efficient one; but now there is no such officer. The late Inspector, not thinking the honor attached to the office a sufficient compensation for the labor and time expended and the responsibility assumed, and not receiving

sufficient fees from the occasional jobs he was asked to do, to make it an object, gave up both office and honor. Now, every dealer has to do his own inspection. This, we need hardly say, is almost unsatisfactory state of affairs. While there are so many lots of flour short in weight, so many improperly marked tares, and so much mixing of different qualities of flour in the same parcel, a properly qualified Inspector will always be a necessity. It must also result greatly to the detriment of the business of the market if one be not appointed. With respect to wheat, equally strong arguments may be used in favor of inspection. Perhaps the most forcible of these is, that a purchaser buying according to a sample shown him, runs great risk of getting the same quality of grain which he contracted for. This may occur though the seller be honest and act in good faith. Where the attempt is made to keep the property of each dealer separate from that of every other in the warehouses, and at the same time, keep up the distinction between the different qualities of grain, the task is such a complicated one as to render it almost impossible to prevent mistakes either in receiving or shipping. On this account, chiefly, it is often found in practice that the buyer of a choice sample has an inferior one delivered to him, and *vice versa*. A great amount of space is wasted in the warehouses, owing to this unwieldy arrangement, which could be utilized under a proper system. If the wheat were graded by the Inspector, and a large bin or receptacle assigned to each grade, without reference to ownership, from which each owner, when delivery was required, could draw his share, all difficulty would be obviated. The duty of weighing all grain received and shipped should also be discharged, if practicable, by a sworn officer appointed for that purpose; this would be a guarantee to all parties of fair dealing in this respect.

Were, then, the offices of Inspector of Grain and of Flour combined, and offered to some competent party, they would no doubt, be well worth his acceptance, and he could afford to devote, at least, the principal portion of his time to their duties. We are inclined to think that a law for the whole Dominion, rendering the inspection of flour and wheat compulsory in all the principal markets, as it is now in the case of other articles, would produce an effect decidedly beneficial. It would do much to regulate the trade in these staple articles, and tend, perhaps, to throw it into better hands, by lessening the risks which render the trade in breadstuffs one of the most hazardous among the list of legitimate business undertakings.

RAPID MOVEMENT OF BREADSTUFFS.

Aided by the beautiful fall weather, which has continued almost uninterruptedly since the season commenced, the movement of the new crop of cereals has surpassed in volume anything seen for several years past. From this port, no less than 398,252 bushels of new Barley were sent across the lake, while last year, only 135,922 bushels were shipped in the same time. Since the 1st October, the shipments have been also large, and, though we have not the exact figures to date, the total for the season must reach fully half a million bushels. From other lake ports, a similar stream, only proportion-