

The failure of the Maryland Trust Company, Baltimore, on 19th inst., followed immediately by the collapse of the Union Trust Co., of the same city, came like "a bolt from the blue" in that district, but had been partially discounted in New York. The former company had put too many eggs in one basket by lending the Vera Cruz Railway, a Mexican enterprise, a very large sum in the securities of the road, of which it held 5 millions each of bonds, preferred and common stock, total of \$15,000,000. These it was unable to sell, or hypothecate for the loan required to keep the company afloat. The Union Trust had gone too deeply into loans on hotel property; coal lands and railways. As these securities were not negotiable the company had to close its doors, showing another case of sickness caused by "undigested securities." In both cases it should be noted the company failed because it undertook business greatly in excess of its resources and credit. The quality of the securities was not in question, they were simply offered when there was no demand and consequently had to be sacrificed. The United States Treasury sent \$800,000 to strengthen the banks in Baltimore and they received a further sum of \$700,000, so that a local panic was averted. The Union Trust Co. announces its intention to shortly re-open.

#### PERSONALS.

MR. E. S. CLOUSTON, general manager of the Bank of Montreal, has left on his usual annual trip to Europe; during his stay there, he will combine business with pleasure. He may be absent about two months.

## Notes and Items.

### At Home and Abroad.

QUEENSLAND, Australia, now has an Insurance Institute.

THE SOVEREIGN BANK has declared a quarterly dividend of 1½ per cent.

THE BANK OF MONTREAL has declared its usual half-yearly 5 per cent. dividend, payable 1st December.

THE BUDGET is the name of a neat new monthly publication devoted to the interests of the Maryland Casualty Company.

CAPTAIN BARR, who was at the helm of the "Reliance" when she beat "Shamrock III.", has been granted an annuity of \$2,000 a year by the owner and the New York Yacht Club.

LOANS ON SURRENDER VALUES are said by "The Review" to be more in demand than at any time in the history of life insurance. This is regarded as a sure sign of business being lessened, as such borrowers are certainly not likely to take out fresh insurance this year.

OTTAWA CLEARING HOUSE.—Total for week ending October 14, 1903—Clearings, \$1,917,215; corresponding week last year, \$1,587,289.

A WILD-CAT LAWYER.—W. L. Campbell, a lawyer and local agent of Davenport, Ia., was recently indicted for representing unauthorized companies, and fined \$250 and costs. Mr. Campbell will leave wild-cats alone for the future.

THE MENNONITES IN KANSAS, have a system of assessing themselves to aid a member who has lost property by fire. The State Insurance department has interfered, as this is regarded as insurance business which must conform to laws which the Mennonites disregard.

CONTAGIOUS DISEASES HOSPITAL DANGER.—An electrician, at Darlington, went to the smallpox hospital to fix a telephone. A few days after doing this work he was taken ill and smallpox developed in 14 days from the day he was at the Hospital.

AT THE ST. LOUIS EXHIBITION the fire hazard is to be reduced by a space of 300 feet being left between buildings, and all bunting, trimmings and other inflammable things chemically treated to resist fire. A strong body of experienced firemen will be on hand equipped with hose and fire extinguishing apparatus.

HOW NOT TO DO IT.—The fire alarm system at St. Petersburg, Russia, is away behind the times, as are most other things in that Empire. There are no street alarm boxes, but a fireman stationed on the tower of the City Hall watches for signs of a fire, and on seeing indication, he runs up signals, the number of them indicating the district where the fire has broken out, so this tower must be incessantly observed by the firemen! Were it not so serious this system would be farcical.

A BIT OF LONDON WIT.—A London comic paper has the following which is better than the average humours:—Two insurance agents were talking when Samuel Smart remarked:

"Do you know that the insurance company has offered £1,000 policies for half rates to all the members of Parliament, except Mr. Chamberlain?"

"Oh," remarked one of the agents, "smart plan that! But why do they except Mr. Chamberlain? Do they think he'll come to grief, and break his heart and die young?"

"Well, it isn't that exactly," replied Smart; "but, you see, they haven't a clerk clever enough to make out Mr. Chamberlain's policy!"

STEP BY STEP the banks of Great Britain are losing their right to issue circulating notes. As the right lapses the Bank of England is authorized to continue it to a certain degree. Thus the authorized unsecured circulation of that institution will continue to increase to some extent yet. The Bank of England has just availed itself of this power to increase its fiduciary notes by \$1,375,000. This brings the total of permitted unsecured circulation up to about \$92,000,000. In 1844 the Bank of England's unsecured circulation was \$70,000,000, and the joint stock banks had out \$43,150,000. The joint stock bank circulation in August last year was only \$11,813,000, and that of the Bank of England \$88,875,000. The reason the increase of the bank's circulation does not equal the amount of the lapses is that the substitution of Bank of England notes for joint stock bank notes is two-thirds of the amount called in.