

He is not, however, without supporters, who seem to have great faith in the project, and stimulate his zeal in advocating it. Even in Parliament, the belief has been expressed that the Canal "will arise, phoenix-like, from its ashes." But the matter has been so thoroughly investigated and sifted, in all its bearings, that until an attempt, at least, has been made to answer the arguments used before the Toronto Board of Trade, when an adverse resolution was passed, it is hardly worth while to re-open the judgment pronounced upon its merits. The Ontario Legislature has appointed a committee to report upon it; but, unfortunately, or fortunately, reports, though favorable, do not always bring success to visionary projects.

WATERLOO INSURANCE COMPANY.

The business of this Company, as shown in the Annual Report, appears to be making very rapid progress; 3,666 new policies were obtained during the year, insuring the sum of \$2,719,680. The total number of policies in force is 8,991, from which it is apparent that an increase in the number of policies of nearly 69 per cent. has occurred within the twelve months. The total policies in force amount to \$6,903,026, and the premium notes to \$263,676. The Waterloo appears to adhere closely to the Mutual principle. During the year losses were paid to the extent of \$32,733, being 12½ per cent. of the face of the premium notes.

At a meeting of the Oswego Board of Trade, held on the 15th, it was resolved to apply to the Ontario Legislature, for a charter for a new railway, to be called the "Canada South-western Air-line Railway." The route proposed is through the south-western portion of the Province of Ontario, between the Niagara and St. Clair Rivers. It is considered that such a road would be the connecting link between the United States railroads branching easterly and southerly from the Niagara River and the State of New York, and also southerly, westerly, and northerly from St. Clair river and the eastern part of Michigan.

TRADE AND FINANCE.

The storms and bad weather of the past week—which have been general over the country—will effectually stop navigation and the fall business, and there is every appearance that winter will soon fairly set in. There has, in fact, been sleighing for the last two weeks in the whole district more than thirty or forty miles from Lake Ontario, and very great activity of business in consequence. Large amounts of farmers' produce of all kinds have been brought to market; and storekeepers

have been kept busy attending their customers and receiving accounts.

The report of remittances in the wholesale trade vary very greatly, some houses reporting them to be as good as usual, while others complain bitterly of slackness, especially in the district west and north-west of Toronto. There seems to be no doubt that the latter has suffered severely from the early setting in of cold weather, and the long continued rains of the fall season. All along the counties of North Simcoe, Grey, Bruce, and Huron, there are sad accounts of the destruction of much of the wheat crop, by rust and of the deterioration of such grain as was harvested. We have heard of an offer by a party in the county of Grey, to forward a considerable quantity of wheat to Toronto, to be used for distillation, it being unfit for human food, with an intimation that if a satisfactory price can be agreed upon, a large trade may be done. This is a sad look out for the farmers in the newer country, and must throw such of them as have payments to make, into considerable embarrassment. Few of them are in a perfectly independent position, and it is well-known, that the wheat crop is that on which they depend to meet either payments on their land, or interest on their mortgages. There are numerous instances in which only five bushels to the acre have been realized, and this only of poor quality, which is equivalent to throwing the years' labor away.

On the other hand, root crops and coarse grains have done, on the whole, remarkably well; this will tend to break down that exclusive reliance on wheat, and that over-cropping with wheat, which has been the bane of Canadian farming.

Barley has fallen in price, and it would be scarcely possible to realize 50c. for a good sample. The trade may be considered over for the season, and we think very little profit has been realized from it—large as the total has been.

Breadstuffs tend rather downwards, though they cannot, it is thought, fall materially, whatever may take place. Exports are rapidly closing from Montreal, the last steamer for the season leaving next Saturday.

Pork keeps up, and the impression is, that prices must rule high all winter, it being generally believed that the supply of hogs is far short of the demand. The packing of salt mutton for the English market has been begun as an experiment, by a house in this city. If it succeeds, the trade may grow into great importance.

The money market is quiet. Every legitimate business demand for discounts is readily supplied, and no merchant who is doing a good and sound business, need suffer from lack of accommodation. There is, however, an impression that money will be tighter during the winter, owing to the fact, now pretty well ascertained, of the failure of the wheat crop in some sections of the country, and consequent certainty of short remittances and extended renewals. Money for investment is very abundant, and great difficulty is experienced in placing it to the satisfaction of its owners. The result must be a steady reduction in the rate of interest on permanent loans, which for many years back has ruled unreasonably high.

Communications.

VOLUNTARY STATEMENTS vs. GOVERNMENTAL SUPERVISION.

To the Editor of the Monetary Times.

DEAR SIR,—A correspondent in your issue of the 29th ult., in attempting to give the cause of the "Albert" life insurance failure, and of the "European's" embarrassment, and to point out the remedy, strikes very wide of the mark in both cases.

It may be, in one sense, quite true that the difficulties alluded to arose from the "unwarrantable expenditure of premiums in expenses, and in the purchasing of other companies, every one of which was too weak to stand alone, but if so, about one-half the existing English companies are travelling the same road, for very few of them five years old, have not taken to their arms from one to thirty other companies, "too weak to stand alone."

There is a question behind the absorption of those tottering companies, however, that has never yet been squarely put, the answer to which, in my opinion, is at the root of the whole difficulty. The ridiculous remedy pointed out by your correspondent of the 29th ult., apparently in sober earnest, gives this question specific importance to your readers. His remedy is the publication of (voluntary) "financial statements and actuarial valuations of assets and liabilities, and the proportion the expenses bear to income." He also adds, "resolutions of the board," and making "due inquiry as to the origin, capital and standing of a company soliciting a risk, and insisting upon having a full statement of its affairs." The term *ridiculous* is fairly applicable to all this, because your more intelligent readers must have been, with me, quite taken aback at seeing again repeated, on any part of this continent, that silly siren song to the tune of which over three hundred British companies have marched straight to oblivion during the past twenty years. It seems scarcely possible that it could have been written in seriousness. Have not the people of Great Britain and Canada relied upon "financial statements," "actuarial valuations," and "resolutions of the board," ay, and titled names into the bargain, quite long enough? And have not the "origin, capital and standing" of hundreds of companies now in financial graves, been thoroughly inquired into by thousands of intelligent capitalists upon the spot, and the final collapse remained a sealed book to them for many years after investing largely as stockholders? And have not actuaries of high standing certified over and over again to the soundness of companies that have very shortly afterward been proved hopelessly insolvent?

When these men—men who are supposed to know how to criticise a "financial statement," if any body does—when these capitalists and experts, residing in the very cities where the companies have been organized, and where the good character of their officers is known, when they have been so sadly imposed upon, what cruel mockery to say that ordinary people "have only themselves to blame" if they "enter a company with which they become dissatisfied."

As to actuarial valuations made by persons employed and paid by a company, what is their value? Had we not most elaborate, and apparently correct ones, from those very high authorities, Professors Woolhouse and Neison, as to the soundness of the "International," of London, proving its surplus assets to be above \$200,000, at the very time that the magic wand of impartial official investigation expelled it from Massachusetts, owing to a net deficiency of \$1,075,624 in its assets? This was in 1859. In 1860 the same treatment was awarded it in New York State, and since that time, thanks to governmental supervision, that bogus concern has not cheated the people of the United States out of a single new premium; but, with the aid of Professors Woolhouse and Neison, and such other actuaries as were willing to accept its fees, it continued gath-