

these directors are not honorable men, for they stand high in the community; but we say that they do themselves gross wrong in allowing their names to be made use of to bolster up a corporation whose sole strength is their names; and they do the public wrong in professing to insure against fire while the financial state of the company is one of extreme embarrassment. This allegation is not made on hearsay. Last week it was announced in this paper that Mr. Drewry, the Assistant Manager, had been dismissed, with a gift of three months' salary in advance. This strange sort of dismissal naturally prompted inquiry into the circumstances attending it, and we find that Mr. Drewry laid formal charges before the Board of Directors respecting the Manager's incompetency, and drew their attention to the necessity that existed for some provision against immediate suspension. It appears from Mr. Drewry's statement that the Provincial Insurance Company has, at the present time, outstanding losses to the amount of thirty-nine thousand three hundred and seventy eight dollars (\$39,378). It has a mortgage on its building for \$8,000, and it is liable for \$15,000 on its issue of debentures or securities to the Church Society. It will have to make a second deposit of \$17,000 with the Government in a few months. Its assets are all in pawn. The position is just this:

<i>Dr.</i>	
Losses and Claims.....	\$39,378
Mortgage.....	8,000
Debentures to Church Soc.	15,000
Reins. Fund, at 50 per cent	75,000
Liability to Stockholders...	79,000
	<hr/> \$216,378
<i>Cr.</i>	
Cash.....	\$1,000
Deposit with Government..	16,666
	<hr/> \$17,666
Deficit	\$198,712

So that, if the company were now to go into liquidation, the sum of \$198,712 would have to be called up. There are some marine notes held by the Halifax agency, but as they may yet be swallowed up by claims, we do not feel justified in taking them into account. It may be said that there is the subscribed capital of \$470,760 to fall back upon; but we know that the work of forfeiture has gone on for some time, and has diminished sadly the value of that intangible and mythical asset. The condition of this company is pitiable; it seems to be going from bad to worse. As a home institution whose prospects at one time seemed good, even in embarrassment, we were disposed to view it charitably, but we should fail in our duty to the public if we concealed the present state of its affairs. The dismissal of Mr.

Drewry is so suspicious that we can attribute it to no other cause than to a desire to cloak what his unselfish zeal has laid bare. Unless the Directors put the Company on a different footing, we shall be compelled to conclude that they are ready to sacrifice their well-won reputation as men and citizens for the sake of drawing their weekly stipends. They seem to imagine that there is some magic in the words "subscribed capital." If the words have substance in them, why in the name of all that is reasonable, do they not call the capital in and pay off the \$40,000 of claims standing unpaid! Why heap up law costs in staving off claims by letting themselves be sued? why haunt banks for petty discounts? why mortgage their office? If the Insolvent Act applied to corporations they would have been wound up long ago.

It affords us little satisfaction to write these comments, but while home enterprises have their claims upon us, the interests of confiding policy-holders have to be regarded, and we are determined that the community shall not be deceived by a silence on our part, which would make us partners in the deception.

THE NORTH BRITISH AND MERCANTILE.—

The report of this Company shows a state of affairs that will prove very satisfactory to policy-holders as well as stockholders. The net premiums for the year were £415,544, being an increase of £81,559 over those of the year previous. A dividend of fifteen shillings and a bonus of five shillings per share, free of income tax, is certainly something to be proud of. At the end of the year, the Reserve Fund and Premium reserve amounted to £290,861. The annual revenue from all sources is about four millions of dollars, and the assets of the Company amount to about twelve millions.

We have no hesitation in expressing our opinion that this is one of the soundest of the British Companies doing business in this country.

MINERALOGY OF NOVA SCOTIA. By HENRY HOW, D.C.L., Professor of Chemistry and Natural History, King's College, Windsor Nova Scotia. Published by Charles Annand, Halifax, N. S., 1869. An official report.

The above work is the most useful compendium on the mineral resources of the sister Province, which has yet appeared, and one which does honor to its author's research and industry. It is to be hoped that the Dominion Government will authorize its translation into French and German, and that a few thousand copies will be sent to the forthcoming International Exhibition at Vienna, Austria, where its circulation would be of great benefit. All foreign consuls and emigration agents should also be provided with copies, if it is really wished to show that Nova Scotia, with its stern climate, is still a country where capital and labor may be advantageously employed. Further reference to the work will be made in a future number.

Communications.

COMMISSIONS TO BANK MANAGERS.

Editor of the Canadian Monetary Times.

SIR,—With your permission, I shall supplement with a few remarks the observations which I took occasion to make in your issue of the 18th ult., respecting what I conceived to be a just cause of grievance on the part of insurance companies, concerning an unwarrantable interference with their business by bank managers and others throughout the towns and cities of the Province.

I am led to believe that there is, on the part of at least one or two of our local companies, a disposition to resist in future the ten per cent exaction referred to. It is also intimated that the representatives of American companies doing business in the city are, by direction of their principals, urging its abolition.

I regret, however, that whilst there are many ready in denouncing the practice, there are those, who, inasmuch as they have hitherto been enabled by this means to control a larger amount of business than what would otherwise probably have fallen to their share, defend it; alleging that for years past the ten per cent. has been allowed, and that to discontinue it now would seriously interfere with their arrangements. Others plead the force of example. "If we refuse to allow it business will be driven from our doors," and they are therefore induced to yield compliance with a demand, which under other circumstances they would not for a moment listen to.

It is to be deplored that any considerations of a selfish nature should be permitted to interfere with our general interests as insurers; but unquestionably the course now being pursued by many, in their eagerness for business at any rates, will be found fraught with evil results to themselves and to others. If those who are now practising this system of extortion upon insurance companies find that they can do so with impunity, may we not suppose that they will ere long extend their operations to other portions of the community? The next step may be that the warehouse in which is stored the grain and other produce upon which the bank may have advances, will be named, and the vessels, provided for its transportation, in order that they may levy a tax on the warehouseman and shipper.

In glancing over the pages of an American Insurance Journal recently, I was surprised at the statement, that of all the American Companies engaged in fire assurance in the British Provinces during the past twenty-five years it was believed that scarcely one could, to-day, show a balance on the credit side of their Canadian account. And what has been the experience of English Companies during the same period? I believe that facts will bear me out in the assertion, that during the past 15 or 18 years nearly a dozen, after encountering a succession of reverses felt that here was no profitable field for their operations and withdrew from the country.

If this, then, is the experience of the past are we justified, with the prevailing excessive competition, in allowing our reduced rates to be still further whittled down by a few individuals who are backed up in such unscrupulous acts by their principals, who with a pompous air, hesitate not to say that these are perquisites which all their subordinates are allowed.

In conclusion, I have only to say that I hope a determined stand will be made to resist and put down this practice, and that it will shortly be looked upon as abuse of the past.

Truly yours,
INSURER.

Toronto, March 24, 1869.