

was worked only about one-third of the time last year, and we believe not a spindle has been added within five years. We are assured that the proprietors of the mill at Thorold think of closing altogether. Manufacturers of woolen goods have similar complaints to make. About a dozen establishments devoted to this industry, have been closed or have dropped out in some way within a very few years. If these facts can be established, they go to show a case of undoubted hardship on the part of those who have invested their money in these concerns, and who have, perhaps, imported skilled labor to a considerable extent, the responsibility of which they cannot possibly shirk at a moment's notice.

A restoration of the 20 per cent. tariff, as above suggested, would, we are confident, fully meet the views of the leading manufacturers, as it would place them on the same footing they had at the start, and enable them to realize the calculations with which they embarked in their several enterprises. But while we regard such a result as most desirable in itself, we do not consider it alone to be ample justification of a return to the old tariff. If we were in a position to pay our way and make the expenditures for the purposes of public works and improvements, that are necessary for developing the resources of the country with a 15 per cent. tariff, we would decidedly oppose any advance.

It is scarcely worth while to argue that we are not in such a position. We have been living, to a very great extent, on borrowed money for a good while; the borrowing process is still going on, but pay-day is sure to come. If Canada is to preserve her credit and develop her resources, there is only one way to effect that object—by increased taxation.

That revenue is wanted, is abundantly apparent from the diverse methods which have been and are being resorted to by the Finance Minister incumbent, and his predecessors, to "raise the wind." Our vigorous protest is on record against flooding the country with Dominion notes, professedly secured by gold reserves notoriously inadequate. The issue of large amounts of fractional currency is, we are convinced, an impolitic step; the experience of other countries is on record to warn us against such an act. These are mere loans from the people in a round about way. How much better to go directly to the people and ask the necessary revenue? How much better to meet current expenses with current revenue—to "pay as we go"—than be mortgaging the future, spending what we have not earned, and living by the proceeds of forced loans.

The change suggested in the present fifteen

per cent. list, would, we think, add more than three quarters of a million to the revenue. If it were put forward as a substitute for unsecured Dominion notes, fractional and otherwise, and as a means of saving the enormous sums shown to have been paid out by the Government for banking accommodation, it would find little real opposition.

ANSWERS TO CORRESPONDENTS. — "J. G." Windsor. By referring to *The Monetary Times* of Nov. 19, and Dec. 31st, 1869, you will find our views respecting the position of those Life Companies organized in the State of New York, and doing business in Canada, with regard to investments. Under date Nov. 19, we published the 8th section of the New York Statute, as amended 24th April, 1864. That section specially defines the limit within which investments may be made by companies organized under the Act to be within the State of New York or within fifty miles of the City of New York, or in stocks of the United States, in stocks of New York State, or any incorporated city within that State, if at or above par at the time of such investment. The wording of the law is such that we can arrive at no other conclusion than that Life Companies organized under the Act within the State of New York are not empowered to make the required deposit to do business in the Dominion, and will therefore have to withdraw (unless the law is altered,) at the expiration of their present temporary license. The leading Insurance Journals of New York coincide in this view, and demand the repeal of an Act so detrimental to the business of New York Companies.

A Correspondent—"Insurer"—condemns the practice of Fire Companies in publishing "cards of thanks," from claimants. He ridicules it in this way:—"Why should they (the Companies) be entitled to public thanks any more than I who run up a bill with my baker or shoemaker, and at the end of a few months, and perhaps after some hard dunning, liquidate that bill? Just fancy a card after this manner: 'Sir, please accept my thanks for the amount of my bill for soleing your own and family's boots, which is all the more acceptable, as I began to be apprehensive that I was going to be sold myself. Thankfully yours, JOHN SPRIGGS.'" Rather, we think; the Companies might very probably use their money to better advantage than investing it in cards of thanks.

FRACTIONAL CURRENCY.—A petition has been largely signed by the leading merchants and bankers of Montreal, praying that the proposed fractional currency be not issued, and expressing their alarm at the proposition. The more this matter is discussed, the stronger the opposition to it becomes. We hope the Finance Minister will give due weight to the arguments urged against the issue of these notes. In the United States the people are heartily sick of them, and would gladly see them substituted by silver coins. Strong language is used by the *Chicago Tribune*,

on this subject. In referring to the prospective restoration of the silver currency, that paper says: "It is to be hoped that some portion of the enormous product of the Nevada mines may now come into use among our people, in place of the ragged, filthy, and infectious shinplasters that have long vexed and cheated the community."

A CURIOUS MARINE CASE.

[Communicated.]

A case of marine disaster, and which exhibits some of the peculiar features of this branch of insurance, and involving a dispute between underwriters which will not improbably end in a law suit, has come under our notice. The facts, so far as they have come to our knowledge, and which we believe in the main to be correct, are as follows: In the fall of the year a vessel, laden with grain, left Milwaukee for Port Colborne, where her cargo was received by the Welland Railway, and all charges thereon having been paid to this point, was conveyed overland to Port Dalhousie, and there shipped on another vessel bound for Oswego. The freight and back charges were insured, as was also the hull of the latter vessel, with one of our local companies. Shortly after leaving port she encountered a terrific gale, which disabled her, and drove her on shore in the neighbourhood of Wellington, County of Prince Edward, where she subsequently became a total wreck. The underwriters on freight and charges were forthwith notified of the fact, and promptly dispatched an officer to the scene of the disaster, who succeeded in saving some few thousand bushels of the cargo, which for the time being were stored in an adjacent barn or warehouse, and subsequently sold for the sum, in round numbers, of \$3,500. The entire cargo, we have omitted to state, was insured in various American offices. The insurers of the freight and charges were paid the amount of their claim by their underwriters, who, out of the proceeds of the sale aforesaid, reimburse themselves, and the balance is placed at the disposal of, and for distribution amongst whom it may concern.

The Canadian companies plead, in justification of their act, first, that the Americans themselves have established a precedent by pursuing a precisely parallel course in two or three similar cases; and which has moreover received the endorsement of one of the highest judicial (marine) authorities in the States. Located as we are, in such close proximity to, and having so many identical interests with our American cousins, it will be important to marine underwriters to see what view our own courts may take of the matter, should the case come before them for adjudication.

The Companies urge, in the second place, that they stand in the place of the common carrier; that having performed their contract so far as lay in their power, the vessel being a wreck, and it being found impossible to forward the cargo to its destination, they were perfectly justified in disposing of the salvage and securing themselves.

It is scarcely necessary for us to observe, that it is a principle admitted by all marine authorities