

European Assurance Society,
Established.....A. D. 1849.
Incorporated.....A. D. 1854.

EMPOWERED by British and Canadian Parliaments for

LIFE ASSURANCE,

Annuities, Endowments,
and

FIDELITY GUARANTEE.

Capital..... £1,000,000..... Sterling.
Annual Income, over £330,000 Sterling.

THE ROYAL NAVAL AND MILITARY LIFE

Department is under the Special Patronage of
Her Most Gracious Majesty

THE QUEEN.

The EUROPEAN is one of the largest LIFE ASSURANCE Societies, (independent of its Guarantee Branch,) in Great Britain. It has paid over Two Millions Sterling, in Claims and Bonuses, to representatives of Policy Holders.

HEAD OFFICE IN CANADA :

71 GREAT ST. JAMES STREET, MONTREAL.

DIRECTORS IN CANADA :

(All of whom are fully qualified Shareholders.)
HENRY THOMAS, Esq., WILLIAM WORKMAN, Esq.,
HUGH ALLAN, Esq., FRANCOIS LECLAIRE, Esq.,
C. J. BRYDGES Esq., The Hon. CHAR. ALLEYN.

Manager for Canada,
EDWARD RAWLINGS.

Agent in Toronto,
W. T. MASON,
15-177 ONTARIO HALL.

Berkshire Life Insurance Co.
OF MASSACHUSETTS.

MONTREAL OFFICE :

9 GREAT ST. JAMES STREET.

INCORPORATED 1851.—SECURED BY LAW.

AMOUNT INSURED.....\$7,000,000.
CASH ASSETS...ONE MILLION DOLLARS.

\$100,000 deposited with the Receiver General for the protection of Policy holders.

ANNUAL INCOME.....\$500,000.

\$100,000 divided this year in cash amongst its Policy holders.

Montreal Board of Referees:—Hon. Geo. E. Cartier, Minister of Militia; Wm. Workman, Esq., President City Bank; Hon. J. O. Bureau, M.C.S.; E. Hudson, Fils & Co.; John Torrance, Esq., Merchant; James Ferrier, Jr., Esq., Merchant; Edward Carter, Esq., Q.C., M.L.A.; C. D. Proctor, Esq., Merchant.

Examining Physicians:—J. Emery Coderre, M.D., Professor of Materia Medica, &c., &c., of the School of Medicine and Surgery, Montreal, and of the Faculty of Medicine of the University of Victoria College; William Wood Squire, A.M., M.D., Graduate of McGill College; Francis W. Campbell, M.D., L.R.C.P., London.

For a sufficient test of merit we beg to state since the commencement of this old and reliable company in Canada, we have had the pleasure of insuring members of Parliament, some of the leading legal talent, and amongst numerous others, several of the leading merchants in this city.

This Company was the Pioneer Company of the non-forfeiture principle, and still takes the lead for every Policy it issues is non-forfeitable after one payment. The Company is now erecting a new stone building, five stories in height, at the cost of \$100,000, similar to the Molson's Bank of this city, but of much larger capacity, having 75 feet front, and 116 feet depth, containing three Banks, some Express Offices, and the Post-Office, yielding about \$8000 income, annually, all of which is the accumulating property of every Policy-holder.

The Company has issued nearly 2,000 Policies since the 1st January, 1867, which is the largest number, in comparison to the expenses, of any Company in Europe or America.

Such are the Results of the Cash System.

Full particulars, history of the Company, Rates, &c., can be obtained at the Managing Office for the Canadas.

EDW. R. TAYLOR & Co.,
20 Great St. James St., (over Pickup's News Office).

The Canadian Monetary Times may be had at any of the News Depots of the Dominion at 5 cents per copy. Orders for quantities to be addressed to A. S. Irving, Bookseller, Toronto.

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The Canadian Monetary Times.

THURSDAY, APRIL 30, 1868.

THE BANK OF MONTREAL AND THE PROVINCIAL NOTE ACT.

The bank managers of Ontario who gave evidence before the Senate Committee almost unanimously condemn the Provincial Note Act as directly responsible for, and one of the chief causes of, the late financial crisis. This naturally suggests an enquiry respecting the benefits it has conferred upon the government, that can be set off against the serious financial disturbance it is proved to have occasioned. We have before us a Return to an address of the House of Commons for statements of affairs between the Government and the Bank of Montreal from 1st August, 1866, to 1st December, 1867. This and the Act itself, furnish us with materials.

It appears that the Government has three accounts with the Bank of Montreal:—(1). The amount at credit "from all sources except Provincial Notes"; (2). Provincial Notes, "Receiver-General's account;" (3). Provincial Notes, "Specie Reserve account." We shall mass the balances of these three accounts into one, so as to arrive at the net amount due by the Bank of Montreal to the Government, and, side by side, shew the amount of Provincial Notes in circulation at the same dates; simply reminding our readers that the Act came into active operation in October, 1866.

	At Credit of Government.	Prov'l Notes in Circulation
1866.		
1st January.....	\$3,084,020	\$2,163,000
" December.....	1,804,951	2,451,000
1867.		
1st January.....	2,023,687	2,936,000
" February.....	916,974	3,117,000
" March.....	934,945	3,085,700
" April.....	1,828,471	3,033,700
" May.....	2,156,383	3,099,700
" June.....	1,968,555	3,093,700
" July.....	1,425,791	3,113,700
" August.....	1,638,812	3,444,693
" September.....	1,883,637	3,268,693
" October.....	3,535,813	3,385,693
" November.....	3,909,493	3,979,693
" December.....	4,718,338	3,888,242
Total.....	\$31,230,870	\$44,060,514
Average.....	\$2,230,776	\$3,147,180

So that while, on the one hand, the circulation of Provincial Notes gave the Government a sum of \$2,200,000 in excess of the amount at its credit with its bankers in

February, 1867, the amount at its credit in December, 1867, was actually in excess of the whole amount realized from the circulation of these notes. In other words, if the whole Provincial Notes issued had been presented for payment in December last, the Government could have paid them by cheque on its bankers. The average balance, however, between the amount kept in the hands of the Bank of Montreal and the amount derived from the circulation of these notes, it will be seen, is about \$1,000,000. It may be argued that a fair average balance, say of six or eight hundred thousand dollars, ought to be in the hands of the Bank of Montreal without interest, as compensation for managing the Government account. But by way of reply to this, it can be urged that no government could, as the Bank of Montreal, its agent, has done, compel the other banks to hold \$800,000 of these notes in their vaults unemployed; and if it is necessary to allow for an average balance at the credit of the government in the Bank of Montreal, the reduction of the average notes in circulation by this \$800,000 might be claimed as a set off. However, the amount which the government has had the use of without interest has not been more than \$1,000,000, rather a small sum considering the troubles we have gone through to get it. A maximum yield of \$2,200,000, a minimum of less than nil, and an average of \$1,000,000!

What has this *ridiculus nus* cost!

\$600,000 of debentures' having 18 years to run, held by the Bank of Montreal, and worth in the market about 83 per cent., redeemed by government at par.....	\$102,000
Compensation paid to 2nd Oct., '67, for surrender of circulation.....	100,355
Estimated compensation for 2 mos. ended 1st Dec., 1867, say.....	20,000
Commission paid Bank on Provincial Notes in circulation to 2nd Oct., 1867.....	29,856
Estimated commission for 2 months ended 1st Dec., 1867, say.....	6,500
Cost of issuing "legal tender notes".....	15,960
Amount paid bank for express charges, initiating legal tender notes, and countersigning Provincial notes.....	2,189
Amount paid Commissioners for inspecting specie in bank's vaults to 3rd Nov., 1867.....	2,400
Amount paid for engraving, &c.....	99,010
Say a total of.....	\$378,262

All are at liberty to say how much of this may be considered as an annual charge, and how much may be fairly put down to first cost. Placing the most charitable construction upon the facts and figures, they show results which every one interested in the prosperity of the country must deprecate.

BANKRUPTCY AND INSOLVENCY.

Times have changed since the insolvent debtor was subjected to the alternative of payment or slavery. The Magistrate no longer delivers the debtor, body and bones, to the creditor, nor does he even compel him to work out the debt. Modern legislation