

high interest rates must be either making loans without any profit, or getting such rates of discount as indicate their lending money on defective security. If then depositors are so lacking in judgment as to place money where it must be used for risky loans, they have only themselves to blame when their deposits are placed in jeopardy. The recent increase in call loans, balances in New York, railway and other securities point to the banks having more funds than the business of their customers requires. The affairs of La Banque du Peuple continue unsettled, and the returns of that institution are a disturbing element in the bank statement, too much so indeed to render any comparison of some leading items with months before the collapse, not reliable. This bank is reported to be in process of reorganizing, the original Charter will be cancelled, and the bank placed under the conditions of other chartered banks. This involves new capital and other features, the most important requirement at present being a Manager whose known character, and experience, and ability will command public confidence. Until the Board recognizes and acts upon this essential, there will be doubts as to the possibility of placing La Banque du Peuple on a sound basis.

FINANCIAL ITEMS.

La Banque Nationale has transferred its Winnipeg business to the Molson's Bank agency in that city.

New South Wales has just effected a loan at 3 per cent. in London for \$20,000,000, or 4 millions sterling. Applications were made for nearly double the amount. The average price obtained was £96 18s 3d, or within a fraction of 97 per cent.

A Company has been organized to construct and operate an electric railway from Montreal to Windsor. Money must indeed be plentiful when it can be found for a scheme to compete with the two existing lines from here to Detroit river, when the traffic they have is hardly enough to pay working charges.

Financial authorities in England are foreshadowing a rise in the bank rate, which they consider will be caused ere long by the withdrawal of the Japanese indemnity deposit, which will so lower the stock of gold in the Bank of England as to tend towards making money less a drug. The revival of business in England is also having a toning up effect.

President McCall, of the New York Life, has issued a vigorous protest against any German fire insurance company being licensed to do business in the United States, owing to the policy of the German government which has compelled the New York Life and, we believe, others to retire from that Empire. "Tit for tat" is a good insurance rule, says Mr. McCall.

Bank dividends for the half year have been declared as follows:

Bank of Montreal, 5	per cent.	Hochstetler, 3½	per cent.
Bank of Commerce, 3½	"	Ville Marie, 3	"
Merchants Bank, 4	"	Toronto, 5	"
Union Bank, 3	"	Imperial, 4	"
Ontario Bank, 2½	"	Hamilton, 4	"
Quebec Bank, 2½	"	Ottawa, 4	"
Standard, 4	"	Jaques Cartier, 3½	"

Correspondence.

We do not hold ourselves responsible for views expressed by Correspondents.

TORONTO LETTER.

A correction.—Our water privileges are restored.—Steam Fire Engine trials.—The Merryweather and its friends.—A new Secretary for the Toronto Board.—A Yonge Street fire.—The Stamping System.—The high rates in Toronto favorable to the Mutuals.

DEAR EDITOR.—Exception has been taken to some of my remarks in my letter of the 28th September appearing in your issue of the 1st instant, regarding the settlement of the matters recently in dispute between the National Assurance Company and Mr. Robert Simpson. The broker who placed the insurances as representing Mr. Simpson positively assures me that the risk he effected on the Saturday preceding the fire was not, as has been alleged, a substitution of the risk declined by the National. It is only fair that I should give the statement of the gentleman referred to equal publicity to that of the company interested in the case. We are all delighted to know that our Reservoir is again full, and ready for service in the way of extra water pressure, should such be required for any fire. Citizens are again enjoying lake water, and there is no mistake about the great difference between it and the bay water. Although the pipe across the Bay is not guaranteed water-tight, still, repairs and improvements have been so efficiently made as to give a reasonable hope of good service until such time as the great expert, Mr. Mansergh, comes to give us his opinion as to what plan we should adopt to secure a permanent and sufficient supply of good water.

Trials of the Steam Fire Engine have again taken place. The Merryweather Engine has its friends and its foes. Some people are for rejection of it altogether, on account of its weight, and so on, and for failing to fill the specified requirements of the city. Certainly this engine possesses one excellent quality, in that it is built for solid, unfaltering work. Its friends say of it, it will outlast, hour for hour, any competitor in a contest of endurance. If this be so, the city can well afford to keep such an engine. Conflagrations lasting several hours are possibilities even in Toronto, and a *stayer*, such as the Merryweather is claimed to be, would prove a valuable servant.

Sunday evening last, a sudden fire in one of the Yonge street shops of the Confederation Life Association Buildings occasioned much excitement in the neighborhood, which you will remember was the scene of the third large fire last winter. Fortunately, the fire, after a second breaking out of it, was eventually extinguished by the brigade. The grocery stock will be greatly damaged, but the loss on building is not expected to exceed \$5,000. The Mutuals mostly have the stock loss, whilst the Board Companies have the building which is known as the "West Wing," the insurances on which amount to \$78,000.

I hear that at an early date a new Secretary will be appointed for the Toronto Board. Such an officer would greatly relieve Mr. Robert McLean of some of the onerous duties he has hitherto so satisfactorily discharged. The appointment of such additional help was the more needed since Mr. McCuaig has been withdrawn from assisting Mr. McLean, to fill the important post of Stamping officer. Mr. McLean will still, I understand, attend, as Secretary of the C. F. U. A., the needs of the larger association. As to the Stamping System, it is a little early to enquire how far it is satisfying its admirers and refuting the objections urged against it by a few opponents of the measure. From all I can gather, everything seems to be working smoothly, and I suppose that is an encouraging sign. Meanwhile, the situation is taken every advantage of by the Mutuals and others not under "tariff obligations." These same Mutuals just now, if I may paraphrase the well known song, are playing merrily in the back yards of the Board Companies, climbing their apple trees to some purpose, and "hollering" down their rain barrels with gusto.