

foreign to our democratic form of government. It is repressive. Progress and expansion will not move as rapidly or as freely as with representative government. Its application would merely mean exchange of personnel and the tried official of the Colonial Office, men of long experience in this form of government, would be replaced by Canadians, in the main, of no experience. It is possible that some of the colonies are at present overstaffed, but I doubt if a change to Canadian administration would mean a reduction of economy along these lines. Government by representation has its disadvantages, the greatest of which is the preponderance of unskilled labor, illiterate and irrational. Of the 2,125,000 inhabitants of the West Indies, fully 70 per cent. are in this class. In view of the origin and history of these people and the retarded mental development of the mass of the population, I believe consideration should be given to the fact that the minority, the intelligent class, have by far the greater stake in the country. The trade and commerce is entirely in the hands of this minority, and to them is due all the progress in industry that has taken place.

It is evident, therefore, that a combination of the two methods of government is the only practical solution suitable to things as they are. That is to say, a legislature composed partly of members elected by the people and partly of members appointed by the Crown. In the course of time fuller powers of representation could be given by the establishment of a "literacy test" as a pre-requisite to franchise. This test already exists in some of the colonies, and, I think, if properly enforced, would equitably maintain the electoral balance of power. Applied regardless of race, it would protect the educated and progressive, while it will stimulate the illiterate by holding out a reward for better education.

To decide the number of representatives to be sent by the West Indies to the Dominion parliament is not within the province of this article, and will, of course, be settled by the delegates of the high contracting parties. The Lieutenant-Governor or Governors of the new province or provinces should be appointed by the Governor-General of Canada in council. A keen business man, preferably not a resident of the West Indies, according to expressed opinion, would be most acceptable. The proportionate composition by members of the legislative assembly or provincial parliament should be in the ratio of eight to seven, eight to be appointed by the Lieutenant-Governor-in-Council, with the Prime Minister and Cabinet of Canada, for every seven to be elected by the people, the franchise to remain unchanged where such exists and a similar franchise to be given where non-existent. The legislature would meet, and the fifteen members, or multiple thereof, would elect the representatives, though not necessarily of their body, for Ottawa. I cannot see that the exigencies of government demand more than one chamber, but if it were thought necessary to have an upper house, it could be elected by the legislature for a term of years only, in the same way as the representatives to the federal parliament.

This is simply an outline, and only intended as a suggestion to cover the points that seem, in the writer's opinion, to have given rise to the most apprehension and contention. Government by representation, as indicated above, is fuller, more responsible and freer than at present enjoyed by any of the colonies, although the Bermudas, Bahamas and Barbadoes elect a majority of the members of the Legislative Assemblies, and, I think, should not be unacceptable to them. There are, of course, a great many other matters of importance connected with government that would have to be dealt with, but they are easily susceptible to agreement and will be attended to at the appointed time. There are few subjects that have given rise to more controversy than that of framing or changing the form of government of a country. I humbly realize that the question requires deep study on the part of trained and experienced minds—study that I have not been able nor am I in a position to undertake, but I venture to hope that this brief survey will indicate a fact, of which I am confident, that it is by no means impossible to evolve a form of representative government applicable to the present state of development of these colonies, equitable and satisfactory to all.

## CHANGE IN AUTOMOBILE INSURANCE RATES

When the association of companies writing insurances connected with automobiles was organized, it was with the expectation of considering from time to time the experience derived from writing the business, and opportunity was taken at a meeting held on July 7th, to revise some of the rates which have been in force so far this year. The losses by theft have been very heavy, and some drastic action will have to be taken by the public and the authorities to stop this great and growing evil, or the companies will be forced to increase present rates. The experience of the companies on collision insurance has also been bad.

It was therefore decided to make no change in the rates now charged either on theft or collision, but upon the rates charged for public liability, property damage and fire insurance, the present rates were reduced by 25 per cent. The companies hope that they will be able to maintain the rates at this figure.

## MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. bonds .....	2 13-64 pm	3 1-32 pm	.....
Mont. funds .....	par	par	½ to ¼
Sterling—			
Demand .....	\$4.61	\$4.62	Nominal
Cable transfers .....	4.62	4.63	Nominal
Rates in New York, sterling, demand, \$4.48½, nominal.			
Bank of England rate, 5 per cent.			

## REPORT ON TORONTO'S FINANCES

The annual report of the Toronto Commissioner of Finance on the funded debt and sinking fund for the year 1918 has just been made public. The gross funded debt on December 31st, was \$104,116,152 and the net general debt, after deducting the sinking fund of \$13,540,464 and the specially rated and revenue producing debts, was \$44,289,618. The assessed value is \$621,434,201, capital assets \$100,378,063, the area 25,722 acres and the population 489,681. During the year debentures to the amount of \$6,893,102 were sold and debentures matured and redeemed to the amount of \$3,100,383, making an addition of \$3,792,719. Of the matured debentures \$1,935,778 were met out of sinking fund moneys, while the balance of \$1,164,606, which were instalment debentures, were met in the usual way out of current tax levies. During the past six years the debentures sold by the city have been as follows:—

1913 .....	\$16,764,715
1914 .....	14,945,057
1915 .....	11,574,748
1916 .....	12,385,915
1917 .....	4,134,972
1918 .....	6,893,103

\$66,698,510

Regarding the future policy of the city, the finance commissioner comments as follows:—

"It requires but little consideration to convince anyone who will examine into the city's resources and conditions, that most serious consequences would result from continuing such a course as that followed in recent years. On the contrary, a definite policy of capital expenditure, covering the next five or six years, and in keeping with the city's financial ability, should be adopted, and so planned, that the most urgent and necessary works would be undertaken at once, leaving others less pressing and essential to follow later."

A branch of the Bank of Montreal will be opened for business on or about July 12th at Temiskaming, Que., under the management of Mr. J. W. Wallace.