

hundred and fifty companies, and probably as many millions of dollars of capital, were represented. We regret to say that only one representative was present from Canada, Mr. Ball of the British America. Among those who were thus convened were men who were not only Insurance Agents and Managers, but capitalists, some of them having their all invested in insurance stocks, so that they were prepared to look at questions from various standpoints.

The vital fact claiming attention is that the income of the companies has been falling off for several years past, the average rate of premiums having diminished. Only the accumulations of former years enabled the companies to continue paying dividends to stockholders, and by so doing their reserves were encroached upon. It is, we believe, true that the dividends paid on shares of insurance companies in the United States far the past eight or ten years have averaged less than five per cent. Indeed, a well-informed New York journal makes the allegation boldly, and declares that this is "without any allowance for the millions of capital wiped out by loss and insolvency." Surely, then, it was time to set to work to rectify matters.

Among the questions discussed was that of taxation of insurance companies, many municipalities acting as if they thought these organizations were chiefly created for their benefit, instead of for the reduction of the loss the public were likely to suffer in the event of a conflagration. Insurance capital should rightly bear a share of the public burden, but should not be unjustly loaded, as many of the cities and towns proposed. A fair mode of estimating the amount for which a company should be levied on would be to deduct the losses and expenses from the amount of the net premiums, and this tax, levied in fact on the net earnings, should be imposed equally upon all companies. The tax imposed by the different states came in for much deserved censure. "Valued policy laws," such as were adopted first by Wisconsin in the early part of 1878, and since followed by some other States, was discussed at some length. It does not, one would think, require a moment to detect the injustice and ill effects of such an enactment as a law to compel companies to pay the full amount of the policy whether the property it covers was fraudulently over-insured or not. Yet just such a law as this is in force in several States, it appears.

The iniquitous practice which is gaining a foothold among some companies called "profit insurance," deserved severe censure, because to insure the profits on say a quantity of butter, in the language of Mr. Hope, "was to

insure things that were indefinite," as well as the stuff itself. This custom is dangerous alike to insured as well as to the company which issues the policy. It encourages incendiarism. A fire is to the commission merchant as good as a sale of what might have proved to be a very unsalable product. Besides, in the event of the property being destroyed, it would probably have to be replaced, and thus an opportunity would be given for making another commission. Unfortunately this question, like many others, was referred back to a committee for reconsideration. This committee reported in favor of condemning the practice of insuring commissions beyond an amount covering charges and expenses, and such proportion of commission as would have been paid in the face of a withdrawal of goods.

It was contended on the part of a number of speakers that too much freedom was permitted in the use of naphtha, gasoline and other products of petroleum, not only in shops but for domestic purposes.

It is regrettable that the questions which are of the most vital importance were only briefly referred to until the last day. We mean such questions as rates and commissions. Mr. Ball enquired whether the Convention would take up the matter of Rates and Commissions. It was quite right, he said, that steps should be taken to check incendiarism, to arrest the progress of legislation which was inimical to insurance interests, and to prevent the indiscriminate use of benzine, &c.; but the questions of Rates and Commissions were of even paramount importance, and he thought the members should not separate without discussing and taking some action in reference to the subject. After some further discussion, several resolutions were voted down, and the Convention seemed to get into a hopeless muddle, when a resolution, proposed by Mr. Ball, was passed urging each member of the association to do all in his power to establish local boards, and put them on a satisfactory basis.

This Association is called The United Fire Underwriters in America. Its object is to promote and conserve the best interests of fire insurance. It is worth while forming such an association even if no other good resulted than that of forming acquaintances and interchanging experiences and opinions. If guided by wisdom, energy, and pluck, the organization may yet become a power for good in controlling the wild race for business which has well nigh extinguished profit in fire insurance.

—Upwards of twelve million bushels of American grain have been transhipped at Kingston since the opening of navigation.

## TORONTO, GREY & BRUCE RAILWAY.

The terms upon which the Grand Trunk Railway will agree to work the Toronto, Grey & Bruce line have been agreed upon, and if the conditions required are fulfilled, we may expect next year to find the last-named road rebuilt and being worked by the Grand Trunk. It is needful to explain, however, that a recent announcement from London by cable mistook the position of matters, and misstated the bearing of the agreement by which the Grand Trunk Company, at a recent meeting, consented to assume the working of the narrow gauge road. This agreement is not final; it is conditional upon the municipalities through which the road passes giving bonuses to the amount of \$300,000. One of the clauses of the agreement between the two roads stipulates "That to enable the Grand Trunk Company to carry out the working of changing the gauge and reconstructing the railway, the Toronto Company shall, on or before the 1st of May, 1881, assign over to the Grand Trunk Company all their right and interest in municipal debentures, to an amount of \$300,000, granted or to be granted to the Toronto Company by municipalities along the line of the railway." It might readily be understood from the announcement made as above described, that the Grand Trunk Company had agreed with the other Company to work the road independently of any assistance from the municipalities. But this is clearly not the case.

## DEATH OF A MILLIONAIRE.

An old Toronto merchant, retired from business so long that most of us have forgotten that he ever was a merchant, Mr. Wm. Cawthra, has just died at the age of 79. His wealth is variously estimated at from two millions to more than twice that amount. The whole of this fortune has been made within the century, in the city of Toronto. The father, Mr. Joseph Cawthra, came here from Yorkshire, with slender means, in the year 1806. For nearly forty years he kept a general store, at first alone, afterwards in company with his son. Since 1844, when the business was closed, Mr. Cawthra attended to the investment of his capital, in one form or another; and his large fortune is mainly the product of compound interest.

Mr. Joseph Cawthra had the reputation of being fond of money; but the general impression has been denied by one who was very familiar with him. He was fond of success in business, and certainly did not waste his gains. Whether the son inherited this feeling, or whether it was modified in him, the accumulation went on with the ever-increasing force of compound interest. Both father and son always acted, in all their affairs, on the strictest principles of honor and integrity; and the worst that