

which may or may not be wisely exerted. Their interests in the main harmonize with those of their patrons—the classes just named—and this fact is the best possible guarantee of good conduct. While this gives reasonable assurance against an ill use of their power as organizations, it does not provide for such cases as malicious injury to private interests by their accredited servants or agents, who may have individual aims to further, or personal quarrels to avenge. Nor does it meet the always possible contingency of mere upstarts or penniless adventurers setting up for themselves as a Mercantile Agency. As matters are at present there is nothing to prevent this; it is as easy as arranging an ordinary partnership. Besides, these agencies are of foreign origin, and that almost of necessity under present circumstances. It would not then be an unreasonable conclusion to draw from these facts that such companies ought to place within the jurisdiction of our courts, and within reach of Canadian claimants some suitable guarantee of financial responsibility and fair dealing. A deposit with the Dominion Government, as suggested by the Quebec Board of Trade, would seem to meet the case fully. Such a provision would not injure any legitimate undertaking of the kind, and might prove useful in certain emergencies that naturally may arise. The question was raised last year in the Ontario Legislature, some kind of supervision being suggested. Many persons hold very decided opinions on these points; we hope therefore that when the subject comes up the delegates at Ottawa will give a free expression of opinion on what we deem a really practical and somewhat important issue.

MUTUAL FIRE INSURANCE.

Whatever merits the Bill brought in by the Attorney-General of Ontario may possess, he cannot claim for it anything like originality. In attempting to regulate the affairs of the Mutual Fire Insurance Companies of Ontario he has taken the measure of last session, devised by these companies, and so amended and altered it in certain vital points as to completely change its scope and character.

As the bill only came to hand at the last moment, we shall not attempt to discuss its provisions, but shall merely notice some of the most important changes. By Clause 10 a notice of every annual or special meeting must be sent to each policy-holder in a prepared and registered letter. This expense is as useless as it is burdensome; to a company of some thousands of members the cost of this needless investment in

postage would be a heavy item. Clause 27 provides that "any member of a Company may withdraw therefrom at any time by giving notice in writing to the President or Secretary, and on payment of his proportion of all assessments then payable and to become payable, in respect of losses and expenses theretofore sustained, he shall be entitled to a return of his premium note, and shall cease to be a member of such Company."

The effect of this is to give the insured power to cancel his policy at any time; and to state that fact is sufficient to convince any person familiar with the working of fire insurance of the injustice to any class of companies involved in such an enactment. Clause 40 requires an assessment of at least 10 per cent. to be made on the premium notes every year; some offices have not found it necessary to assess nearly to this extent, and therefore to enforce such assessment whether needed or not seems to be uncalled for. The 48th clause prevents the issue of cash policies by these companies. This matter requires to be dealt with, but in a different fashion. The requirements of the 48th and 68th clauses taken together are harsh, and ought to be modified. Clause 70 authorizes the Governor in Council to appoint an inspector to examine into the affairs of any Mutual Fire Insurance Co., and to wind up such company if the inspector's report is not satisfactory. This very crude attempt at legislation on the subject to which it relates should be very much amended, or else struck out. The act, if passed into law, is to come into force at some time during the current year.

CANADA LANDED CREDIT COMPANY.

The annual report shows a successful year's operations, more successful than any previous year in the Company's history. A very satisfactory profit was made, leaving after the payment of two eight per cent dividends, the sum of \$7,177 to carry to the reserve fund. A ready market for the debentures has been found in Great Britain at lower rates of interest than formerly. By comparing the amount of loans, of debentures and of deposits with the previous year, it will be seen that in every item there is a marked increase that will tend to strengthen confidence in the future of the Institution.

THE MONEY MARKET.—The pressure for discounts at the banks continues strong, but a good deal of the paper offered is merely accommodation paper, and long loans are sought for. Comparatively little

short paper, that is having less than four months to run, seems to be in the hands of traders. Should the present stringency increase to the extent that many have anticipated, that result will have to be ascribed as much to the want of good, available security among borrowers as to a deficient supply of money to lend at the banks. In fact the condition of the banks just now is such that they could extend a good deal without serious inconvenience if business paper were offered, the payment of which could be relied on at maturity. Whether such paper is in existence to the extent that it is likely to be wanted during the next two or three months is very doubtful. The retail trade appears to be slow, and all sound men in that department are in a pretty cautious mood and do not care to buy goods merely for the purpose of manufacturing paper to accommodate the importer. The action of the leading Bank is, and will continue to be, watched with increasing interest by bankers. It is now a greater power than ever, while the course it will adopt in any given contingency is not less a matter of mystery than before. The immense sum invested in stocks is a feature in our monetary situation that deserves continued careful attention. Many business men are carrying stocks with a margin; and the extent to which reputedly cautious people have become mixed up in this class of transactions if fully known would, we think, cause surprise. Any pressure therefore, severe enough to break bank stocks would involve wide-spread mischief. We hope that no such contingency will arise, and that it will be found that we have sufficiently profited by premonitions of trouble to so shape matters as to prevent the bursting of a financial storm.

AN INSURANCE DIFFICULTY.—J. Gordon Mortimer, agent for the Equitable Life Assurance Society, was charged with obtaining money from Capt. John Malcomson under false pretences. Mortimer applied to the prosecutor to take a Tontine policy in the Company and urged him a good deal in the matter. He also handed him the following memorandum which was given about the 10th Sept. was put in evidence:

"\$41.30—per \$1,000
for \$4,000—\$166.20.

If at any time you wish to discontinue your payment the Company will return you the whole of the premium paid, and 4 per cent interest, or at the end of ten years you can receive a policy for \$900 in each \$1,000 without any further payment on the whole amount of cash paid, with the addition of the four per cent."

It appeared in evidence that the premium of \$207.50 for a policy of \$5,000 was paid to Mortimer by the prosecutor; that when the