

grand crash the collapse of that bad business in foreign loans, which turns out to have been one of the principal mischiefs of the inflation of 1871 and 1872. But the collapse did not come then, and now there has been an after-crisis in 1875 to finish the work. The result, accordingly, is that 1875 has been full of exciting events. There has been no panic, because money was cheap, and there was no inflation while the bulk of the interest of the country was sound and profitable, but many of the usual elements of panic were present, and the discredit has had much influence in stopping business and renewing the depression from which business appeared to be recovering in the spring. We confess we should hardly have anticipated a year ago that there was room for such letting out of bad business as to colour the year in the way that it has done, but an after-crisis of some sort, after a year like 1873, is far from being without precedent in economic history. Putting all things together, 1875, with all its exciting incidents, has not been as bad as it might have been. We believe it would have been more prosperous but for the failures and the financial discredit, which took the heart out of wholesale merchants and speculative capitalists. Still its results have been good, and not bad, for the community, as a whole, whatever may have been suffered by the few.

The prospects for the new year must receive a little attention at the end of a retrospect like this. If we are right in saying that there was some improvement in the latter part of 1875, notwithstanding its great troubles, there can be little doubt as to the prospect being now a good one. These troubles have partially a recovery which was beginning, but they have not been able to arrest it wholly, and while further troubles of the same serious nature are unlikely, we can hardly conceive even the same troubles producing any further marked arrest.

The business of the country has long been as unspeculative and hand-to-mouth as it could be. There is hardly any speculation to be destroyed by a new crisis, or to cause an apparent decline of business by the stoppage of production dependent on that speculation. Production is, accordingly, bound to increase with the natural growth of population. The reports for the moment from most of the trade centres, including even some of the iron districts of Great Britain, are almost not unsatisfactory, and it is of good omen for the trade that affairs in the United States are mending. Affairs cannot but mend while prices of food and raw material remain low, and there is every encouragement to the consumer. There is also every appearance that money will continue cheap, with a more stable market than we have seen for years. This is one result of the completion of the German coinage reform, while the next probable cause for special disturbance in money, the demand for bullion to enable specie payments in the United States to be resumed, will probably not be perceived in operation for another year or two, the resumption being postponed to 1879. All the auguries are thus favorable and during the present year, it may be hoped a good deal less of depression will be felt and talked

about than has been the case since the spring of 1873. The "liquidation," which was then commencing is now practically at an end, though we may yet have minor troubles, the relics of the greater disasters of the last three years, to record.

ROYAL CANADIAN INSURANCE COMPANY.

ANNUAL MEETING.

In our last issue we promised our readers a full report of the proceedings at the annual meeting of this Company in discussing the report of the directors. Owing to the representative commercial character of the directors and shareholders present the subjects brought out in the course of the debate may be considered as indicating the sense of the people at large on the subject of insurance legislation. Every business man in the Province of Quebec, every citizen of Montreal particularly, is interested in the subject of the fifth resolution.

After the report of the directors, as published in our last issue, was read, Messrs. Wm. O'Brien and Alexis Brunet, the nominees of the Directory, were appointed to act as scrutineers and on the recommendation of the Chairman endorsed by the meeting. They retired to the directors' room to receive the ballots, the Chairman, Mr. John Ostell, announcing that the voting would close at half-past four o'clock.

Mr. ARCHER.—Would you please state how many directors we have to vote for.

The CHAIRMAN, in reply to Mr. Archer, said:—The whole of the five retiring directors were eligible for re-election.

The motion of Mr. Archer to accept the accounts appended to the report, as read, having been adopted without one dissenting voice,

The CHAIRMAN said:—Gentlemen, I regret that the severe indisposition of the President should place me in the position I am to-day. The report which you have just heard read, however, gives such an insight into the business transacted by the Company that it leaves me little to explain. We may safely state that the business has increased 50 per cent, over that of last year; we may also safely state that it has been carried on in a conservative and careful manner. You will perceive that the increase in the amount of risks by the policies issued is not met by the increased liabilities, showing conclusively that the risks were selected with great care. Had it been the desire of the management to extend the business still further, we could have taken in \$100,000 additional in the amount of premiums for an increased amount of business, but it was not thought wise or prudent that these transactions should be entered into. The business of the Company has arrived at that point where it is necessary to look rather to economy than to the magnitude of the business generally. It will be seen by the statement that the business has extended to a large extent in the United States and we are happy to say, it has proved profitable. (Hear, hear.) Whilst referring to this, we may state we were met with great opposition, with a great outcry; and the directors are obliged to make the remark that those who were most prominent in this respect would appear rather to have fouled their own nests than inflicted any

injury on the Company. These discreditable statements—libellous statements—emanated from our own city; however, they were met, boldly met, and repudiated to the fullest possible extent, so that I believe we may safely consider that the Royal Canadian Insurance Company stands better to-day than it did before these false remarks were made. (Applause.) They have proved thoroughly we were safe and reliable. The inspectors, or gentlemen who came here from the United States, from New York and Ohio, expressed not only their satisfaction at the thoroughness and reliability of the Company, but their astonishment at the manner and magnitude of its work. These were their words: That Companies which had existed for 20 years, had not the same character and stability as your's had in the manner of carrying on the business. (Applause.) In reference to the report you will find there are some suggestions; in the first place as regards the share capital. In order to place it in a clear and fair position, it may be recollected by many of you that, at the meeting held in September, 1874, a resolution was passed, by which a bonus of 10 per cent. was declared, on condition that they subscribe a further amount of 50 per cent. To a large extent this has been taken up and completed, but there are instances where parties have neglected—not purposely, perhaps—to come forward to subscribe to this additional stock. Although these parties have had every information of this resolution, both by circular and personal application, they have neglected so far to complete the transaction, and it is now certainly time—the directors having taking every means of warning them—to complete their subscriptions, and as they have not done so it is thought quite time that the stock account should be brought to a close, and the directors should be authorized by a resolution of this meeting to this effect. There are a few stockholders who have paid only five per cent. of their subscription; these parties are provided for in the terms of the charter, and it is contemplated to bring their stock to a close. The whole number of these shares is 222, of which 99 are in the category of instalments, and 123 no connection with the instalments. A resolution will be offered to you at this meeting to authorize the directors to bring these matters to an end. Another matter will be brought before you with reference to the election of directors. Five directors are retiring to-day. It is felt that under certain circumstances it might not be desirable to make such a great and sudden change in the Directorate, that certain influences might be brought to bear as well as the loss to the Company in the practical experience of those who retired, and in order to remedy this your directors ask for authority to go to the legislature and secure such amendments as to provide for three instead of five retiring yearly. There is also a provision in the charter not to loan money to shareholders. You must recollect you have now over one million dollars of money available, and in order to make it profitable you must invest it. If two parties appear before the loan committee it seems very hard that because one should be a shareholder that he should be refused to the preference of the other who is not. For this and other matters that might present them-