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BRYCE, McMURRICH &amp; CO.

Toronto, July 28, 1870.

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THE  
Monetary and Commercial Times.

WITH WHICH HAS BEEN INCORPORATED

THE MONTREAL TRADE REVIEW.

TORONTO, CAN., FRIDAY, AUG. 12, 1870.

## DIVERSION OF TRADE.

It was noticed last year that an unusually large share of the grain trade of the Western States passed through Canadian channels to the sea-board. The increased shipments of wheat, by the St. Lawrence, over 1868, shows an excess of four and a half millions of bush. During the present season the tendency of that traffic in the same direction has been marked and extraordinary. It is already on record, that during the week ending July 23rd, out of 1,128,422 bushels of wheat passing from the Western lake ports to the sea, over one-half (601,707 bush.) went to Montreal. The merchants of Buffalo and the revenues of New York State have been made to feel the effects of this change in an unpleasantly practical way. A less quantity of grain has been handled in that city, and the canal tolls have fallen off \$264,212 since the opening of navigation as compared with last year. In 1862 the canal tolls collected at Buffalo from the opening to August 1st were, \$1,278,484; in the corresponding period this year they were but \$432,974!

This diversion of the grain trade from the Erie canal is in the face of an important reduction in the tolls, which came into force last spring. To show the extent of this reduction it may be mentioned that the average freight on wheat for the month of May from Chicago to Buffalo was 5 cents, and from

Buffalo to New York by canal was 11.5, making an aggregate of 16.5 cents between Chicago and New York by water. Last year the average lake freight on wheat for May was 5.8 cents, and by canal 13.9 cents, making an aggregate of 19.7 cents per bushel. These figures show a difference in the average charges for May, 1870, as compared with those of the same month last year, of 3.2 cents per bushel.

At the present moment freights from Montreal to Liverpool are lower than from New York, there having been, a few days ago, a difference of ten or twelve cents per bushel in favor of the Montreal route. A saving of time and distance also pertains to the Canadian highway from the west to Europe, which must tell largely in its favor. Altogether, the natural and other advantages of our thoroughfare from the great lakes to the ocean are such as money and skill cannot supersede or monopolies withstand. Steam will be employed on the Erie canal as a motive power, the tolls will be swept away entirely. This, of course, will add greatly to the attractions of that route, but with our canals enlarged to the requisite dimensions we can compete even more successfully than now with the long and tedious line of canal communication from lake Erie to the Hudson river.

## BRITISH AMERICA ASSURANCE.

In common with nearly every one of the fire offices, the losses of the British America in the fire department last year were unusually heavy, amounting to 78½ per cent., against only 55 per cent. the previous year. This difference against 1869-70 would be further swelled by taking into account the increase in "losses under adjustment." In the marine branch the result was different; the losses being only 59½ per cent. of the premiums as against 63½ the previous year, and 90 in the next preceding year.

In the face of this record, the marine business cannot be regarded as other than satisfactory—both ocean and inland. The British America is a member of the "Canada Insurance Union"—a connection which we are glad to see has been profitable, since it is a matter in which the trade of Ontario is specially interested.

It will be noticed that the amount represented in the statement by "losses under adjustment," (\$42,027) is large; this arises chiefly from the disastrous fires in Montreal just previous to the date of the Report, and the adjusting of which involved much delay. Nearly the whole amount has since been disposed of.

A glance at the statement reveals the fact that the interest on investments is now nearly suf-

ficient to pay the annual dividends irrespective of profit from other sources—a strong point in the Company's position. Although the management is highly conservative and economical, it is not lacking in energy since an important extension of the business is apparent over previous years. Aside from the security which the paid-up capital affords, the sum of \$68,416 is set aside as a guarantee or re-insurance fund, about one-third of which was taken from the profits of the year. These facts together with the assiduous oversight and long experience of Mr. Ridout, the Governor, show that the Company is entitled to the fullest public confidence, and leave no doubt that it will maintain its present high standing and leading position.

## INSURANCE PARASITES.

It is certainly about time for fire insurance companies to come to some understanding as to those to whom they will allow commissions, not only in justice to their agents, but out of mere respect for themselves. Unless something be done in the direction indicated, we shall find every policy-holder demanding at the company's counter, a commission on the amount of his premium. At present the insurance companies seem to be regarded as legitimate prey by every person, who can control a risk or give direction to a policy. Year by year the leeches have increased in number, and in rapacity until now their name is legion, and their powers of suction without gauge. In Solomon's time the progeny of the horseleech cried "give, give" everlastingly; in our day, the insurance leech may boast a larger family with a more inappeasable hunger and a more importunate cry, vibrating from the shrill "give" to the plaintive Oliver-Twistian "more." Submission to their demands seems, but to whet an insatiable appetite; greed still asserts its supremacy and their mouths will still open. Evidently the race requires some mode of treatment other than acquiescence in their demands. The matter resolves itself into this. Either the rates of insurance are too high—that is the price of insurance is beyond its value, or companies are sacrificing not only their shareholders, but also the vast majority of their policy-holders to the avarice of the few. If rates are so high as to afford insurance companies a margin for granting bonuses to a favoured few which they deny to the many, it is well for us all to know it, and insist upon being placed on a common footing, or transfer patronage to companies that do not make "fish of one, and flesh of another;" that do not impose on Mr. A. for the sake of benefitting Mr. B., who is just as deserving, if not quite so mercenary.

As we have said it is time that some rule