

live to do some much needed missionary work.

It is proper to say, however, that the merchants of Quebec are eager enough to import all the French goods they can sell. There was a time when Lower Canada suffered greatly from want of capital, which, under another state of things, would have been readily obtained on the security of real estate, but that difficulty has been reduced to a minimum. Whenever it was not possible to tell whether an owner of land had already mortgaged his property, lenders naturally avoided the risk. It is possible that titles in Quebec, might still be simplified and the benefits of publicity extended. If that were done, we feel certain that if a dollar never came from France for investment, there would be no difficulty in obtaining loans on the security of real estate.

The Credit Foncier was chartered in the session just closed, at Quebec. The statement that the bill contained a clause giving the company an exclusive privilege for five years, we don't quite understand, without having the bill before us, as it cannot be intended that this company alone is to monopolize the business of lending on real estate. Objection thereto was made, but only three members of the Legislative Council voted to strike out the clause.

A motion that the company should make an annual report of its operations to the Legislature was, very improperly it seems to us, rejected. The motion seems to have been regarded as having been made in the interest of domestic monied capitalists, made jealous by the prospects of competition which the Credit Foncier opens up; but there can be no excuse for refusing to require that a public company, operating under a charter granted by the Legislature, should annually report its proceedings to the author of its being, for the benefit of the public with whom its business must be. Intelligence has come from Paris that the promoters of the company there are well pleased with the charter.

MUTUAL INSURANCE IN ONTARIO.

The report of the Ontario Inspector of Insurance for the year ended 31st December, 1879, is a decided improvement on that which was published for the preceding year. It embodies matter on all subjects of interest to those who insure, and gives an excellent outline of the position of Ontario Insurance Companies as they were seven months ago. It exhibits statements of receipts and expenditure, assets and liabilities, amounts at risk, and summarizes the whole in a very complete and intelligible manner. Much credit is due to the Inspector for the mass of information which his report contains.

Quoting therefrom we find that the Ontario Insurance Register is now comprised of the following :

Joint Stock Life Company.....	1
“ Fire Companies.....	5
Mixed Mutual and Cash System Companies.....	9
Purely Mutual Companies.....	50

Total 65

The amount at risk held by Ontario Fire Insurance Companies on the 31st December, 1879, was

By 4 Joint Stock Companies....	\$12,367,672
9 Mixed Mutual and Cash System Companies.....	48,293,160
50 Purely Mutual Companies.....	37,955,304

Total.....\$98,616,136

The cash paid for Fire Premiums in 1879, inclusive of assessments and first payments to Mutual Companies, was

	Premiums.
To Joint Stock Companies.....	\$116,847 16
Mixed Cash and Mutual Companies.....	279,614 20
Purely Mutual Companies...	130,913 12

Total premiums\$527,374 48

Of the above premiums there has been returned to the people in payment of losses—

	Losses paid.
By Joint Stock Companies.....	\$64,488 84
Mixed Mutual and Cash System Companies.....	174,536 77
Purely Mutual Companies.....	77,097 28

Total.....\$316,122 89

and that the losses therefore paid in the year 1879, amounted to 59·94, or within a trifle of 60 per cent. of the premiums paid.

Regarding the figures of 1878 as not sufficiently accurate for the purpose, Mr. O'Reilly gives no comparison between the insurance business of that year and 1879. This omission he promises to supply next year, however, when an accurate comparison can be arrived at, starting from this, the first complete report.

In the course of inspection, it has been found that many companies employed a lax system of book-keeping, which rendered the visits of an inspector of little value. From “lax book-keeping” the report alternates to “lax auditing,” and, in a few pithy sentences, it is shown how utterly inutile the present system of auditing the accounts of mutual insurance companies is. The proper verification of receipts as well as expenditures is strongly dwelt upon. This verification, the report goes on to say, “should be had from the outside, and as far as possible it should be independent, not only of the officers, but of the directors also,” a very sensible and necessary suggestion.

We find in the report a recommendation that there should be some control by Government of the system of auditing. Why

not, we would suggest, since the companies, by almost always employing two auditors, seem to admit the necessity of duality, have one general auditor appointed by the Government? This is what, we apprehend, is the meaning of the closing sentence of the report.

Before ending our remarks, we desire to submit that one or two changes be made in the mode which the Inspector has chosen of publishing the statements of the companies. We think that under the heading of *Receipts* should be brought forward the balances of the *Assets* of the previous year; and under the heading of *Expenditure* those balances as they appeared at the end of the year under review. We should then be enabled to arrive at an accurate opinion, not only of what had been done with the cash receipts, during the year, from premiums and interest and other sources of revenue, but of what had been done with the cash on hand, that in agents' hands, the mortgages and other securities which comprised the balances at its commencement. The statements published by the Canada Life and other leading insurance companies are good examples of what is meant.

We would also suggest that among the assets of a Mutual Fire Company should be published the net amount of its premium notes. A casual reader would be very naturally led to imagine that our Mutuals were wonderfully constituted. We cite one case, that of a company having \$2,514,330 under risk, with “total assets” apparently of \$694.59 only. True, that under the heading “Miscellaneous” the net amount of premium notes is represented as having been \$232,507.43; but who would think of looking for such an important item under such a heading? If assessments constitute an asset, surely premium notes, of which they are, until paid, fractional parts, are assets also. The omission might be injurious to a company whose standing a reader of the report was endeavoring to ascertain.

Further, it seems desirable that the nature of the business transacted by each company should be shown—whether it be a general business, or confined to any particular class of risks.

THE AMERICAN COTTON CROP.

It is possible now to state with tolerable accuracy, the results of the American cotton crop for the season 1879-80. The entire crop is claimed to be the greatest that has ever before been known in the United States. It is certain that the aggregate will reach beyond five and three quarter million bales. The only difference of opinion now, says the *St. Louis Register*, is as to whether the total