

premium system is to assert that the latter is impracticable and unsafe, a position I do not think you intend to assume. Experience has proved that the level premium usually charged is sufficient to cover the risk, if the deposit or reserve portion is properly husbanded and secured, from the fact that the tables of probable mortality upon which it is calculated have proved to be not only equal to but in excess of the actual mortality. Consequently the cost of insurance regulated yearly or half-yearly according to age, by the actual mortality as on the Homans Plan cannot exceed that of the other system, and the assured is benefited by the difference while avoiding the necessity of depositing in the care of a company annual sums for future insurance based upon a probable mortality never experienced in this country.

The comparison of actual cost, including all expenses for one year, as against an ordinary life premium with profits, to which you object, is quite justifiable, as a portion of the difference between the two represents the banking or reserve part of the level premium and the balance represents the portion available for expenses, and for other purposes not necessary to the insurance. The one year term rate with which you say the comparison should be made does not represent the objectionable or banking feature of the level premium, as it covers the risk for one year only and at present age, though it is based upon a probable mortality.

The Homans system provides in the first premium for the probable mortality during the term covered, whether three, six, or twelve months, but adjusts the cost to actual mortality by crediting the savings on renewal for the succeeding term.

The guaranty fund which you claim to be banking of the sort we deprecate, requires only one-fourth of the mortality premiums collected during the first ten years of the Policy which is then returnable to the assured who has continued his Policy in force for that term, though it constitutes additional security, this fund is mainly for the purpose of securing persistency for a few years and in no way resembles the reserve on the level premium plan which is not returnable in any form during the currency of the Policy.

"Intelligent people may be excused" if they do not see objectionable features in the Homans system and if they are satisfied that the eminent author of it would not hazard his reputation by offering to the public a plan of insurance requiring any "bolstering up" or which will not successfully meet all criticism.

In justice to the Federal and the inquirers you should also have said that the Federal has a capital subscribed of \$700,000, of which only (10%) ten per cent had been called when the reports were made from which you gave figures. Further that on the Homans system of term insurance the Company does not increase its liability to the public for deposits as on the other or level premium plans. If comparisons are required we can furnish them and can show reasonable cause for the decrease in surplus during our early years of existence.

Yours respectfully,

Hamilton, Dec. 9th, 1885. DAVID DEXTER.

OLD CLOTHES MADE NEW.

To the Editor of the Monetary Times:

SIR,—We notice by your issue of this week that "Application is to be made at next session of Dominion Parliament for an act to incorporate" "The Colonial Bank of Canada."

When the old Colonial Bank in Toronto closed its doors our late father found himself in possession of seventy or eighty dollars in bills of theirs and the other wild cat affair, The International, which he had received in payment for wheat. He kept them expecting the cashier of the Siamese-twins banks to return and re-open. He did not return and the bills are yet in our hands. We have no doubt that thousands of dollars of the "Colonial Bank" bills are yet in existence in the hands of farmers and others waiting for the return of the cashier. Will not the similarity of names cause trouble, loss, and annoyance?

The projectors of the new bank should select some other and more robust name. "Colonial" is altogether too suggestive of long clothes.

We are yours truly,

S. B.

Toronto, 4th Dec., 1885.

ALMOST A ROMANCE.

A firm which had received an order from a man in Ontario for some goods, on making enquiry feared there were some judgments against him and declined to fill his order except on certain conditions. This provoked the following letter, which is interesting enough to print. Out of consideration for so good a Yankee, we do not give names:—

DEAR SIRS,—Your letter now before me tempts me to write a letter but not for the purpose of obtaining goods. I am one of that specie known as a down-east Yankee. Born in Vermont, went to New York to work at the trade of ———, worked my way to the top as supt. with a share of the profits; after ten years threw up business and went off as an evangelist. A few years more and my voice failed and I opened a book store in ———, preaching on Sunday as "supply" for a church here. That church got a pastor finally and I went into a pew and became a member.

The pastor conceived a hatred to me for the people obstinately would like me better than him. I could not help it. He finally bought an organ at my store, gave a note for it and shipped the organ to Newfoundland, where he has friends, then he swore the note was a forgery and I was arrested and thrown into prison (May 24th, 1883). I was worth then full \$5,000 over all debts. I made an assignment, simply to protect my property; the assignee converted it into cash and put that in his pocket. A few of my creditors took judgment. At my trial for forgery the note in question was mixed up with some other papers and the minister admitted under oath that it was his signature. The jury instantly gave me a verdict. That minister soon followed the organ, and is now somewhere in the old country.

I immediately started in my old business of ———; not a cent of money and asking no help—Yankees are not made of tissue paper—took my first orders in the name of a friendly merchant here; he supplied the stuff and I carted it in a wheelbarrow and on my back. The creditors of my former business, seeing what I was doing, let me alone and I have nearly paid off the debts of that concern. Have not been troubled by one of them, for they saw I was trying to work it out. Soon I began to buy goods from ——— & Co., Montreal, from whom I have continued to buy since. Sent them \$1,000 cash a few weeks ago for material used on two mills. I made in 1884 about \$1,500. I will make this year twice that.

I have built shop, stable, sheds, storehouse, &c., to the extent of a thousand dollars paid for, which I hold in my wife's name. I did not mention them to you in my assets because they are in her name. All else I have is my own in my name and I fully intend, if I live, to push my business over the whole province. Have done work in seven cities outside of this one this year.

That note affair caused me to feel a little ugly about notes in general, and as you say in conclusion of the letter now before me, you should require a note, I will simply add, I have no notes out, and will not sign one. So please cancel my order, and accept apology for consuming so much of your time.

Yours sincerely,

MANITOULIN ISLAND.

The Canadian island of Grand Manitoulin, which lies along the northern shore of Lake Huron, has long been settled, but of late years has made unusual progress. During the last season of navigation there were shipped from that island by steamboat: Seven and a-half tons of hides, one ton sheep skins, one and three-quarter tons of mutton, seven and a-half of beef, eleven dressed hogs, ninety tons flour and feed, 2,930 dozen eggs, ten tons butter, and 500 packages of fish.

In 1883, shipment of live stock from the island was begun, and last year, near a thousand and head were shipped. Thus: Shipped from Manitowaning alone:—Cattle, 598; hogs, 188; sheep, 119; horses, 70—total, 975. There was paid out in cash for this stock in the neighborhood of \$25,000. "There were," says the

Expositor, "about 10,000 at the commencement of the season, and the usually large number of young stock raised this year will leave a much larger number of young stock raised this year will leave a much larger number of older cattle for shipment next season." The journal quoted advocates very strongly the raising of improved stock, and experience has shown that the island is well suited for stock-raising.

—A servant girl was given macaroni by her mistress to prepare for the table. Noticing her surprise, the lady said, "Didn't you cook macaroni at your last place?" "Cook it? We used them things to light the gas with."

Commercial.

MONTREAL MARKETS.

MONTREAL, Dec. 9th, 1885.

The steady and marked decrease in the mortality returns has induced a feeling of hopefulness all round, and though in most lines trade is at the moment reasonably quiet, anticipations for the coming spring trade are favorable. Grocery stocks in the country are reported as pretty generally low, and a very satisfactory movement is noticeable in this line, which is likely to increase as good winter roads become established. Collections are fair. The stock market is quiet but steady, the only noticeable feature being the decline in Montreal Telegraph shares of 3 per cent. today owing to the reports of active competition from Canadian Pacific Telegraph system. Money remains at 3 per cent. on call, and 6 to 7 per cent. for commercial discounts.

ASHES.—Business is rather quiet, receipts being small, and buyers seeming not disposed to operate. No. 1 pots are reported at \$3.52½ to \$3.55; in seconds there have been no recent transactions, and very few are seen at this time of the year. Pearls are not quotable. Shipments are light, since close of navigation there have been shipped 70 brls. to Britain and 10 to the United States.

DRY GOODS.—Nothing new can be said as regards business in this line just now. Travelling salesmen generally are home. Samples of spring goods are coming forward from day to day, but it will probably be the turn of the year before a start is made on the spring trip by most travellers. Buyers generally are on their way back from Europe, and are reported to have bought with moderation. Remittances maintain about the average of the last several weeks, and are, on the whole, fair.

DRUGS AND CHEMICALS.—But little is new in these lines except that quinine has eased off somewhat, and we revise quotations. Other lines are unchanged. Business is rather quiet. We quote:—Sal Soda \$1 to \$1.10 per 100 lbs., Bi-Carb Soda, \$2.50 to \$2.60; Soda Ash, \$1.65 to \$1.75. Bichromate of Potash, per 100 lbs., \$8.00 to \$9.00; Borax, refined, 11 to 12½c.; Cream Tartar crystals, 33 to 35c.; do., ground, 37 to 38c.; Tartaric Acid crystals, 52½ to 55c.; do., powder, 56 to 60c. per c.; Caustic Soda, white, \$2.40 to \$2.60; Sugar of Lead, 9 to 11c.; Bleaching Powder, \$2.25 to \$2.75 according to lot; Alum \$1.60 to \$1.75; Copperas, per 100 lbs., \$1.00; Flowers Sulphur, per 100 lbs., \$2.75 to \$3.00; Roll Sulphur, \$2.40 to \$2.60; Sulphate of Copper, \$5.00 to \$5.75; Epsom Salts, \$1.25 to \$1.40; Saltpetre, \$9.00 to \$9.50; German Quinine, \$1.05 to \$1.10; American do., \$1.05 to \$1.15; Howard's quinine, \$1.10 to 1.20; opium, \$4.00 to \$4.50; Morphia, \$1.75 to \$1.90; Gum Arabic sorts, 50 to 60c.; White, 75 to \$1; Carboic acid, 45 to 60c.; Iodide Potassium, \$4.25 to \$4.50 per lb.; Iodine, \$5.00 to \$5.50; Iodoform, \$7.50 to \$8.00.

FISH.—Business is dull and is likely to remain so until the Lenten demand begins. We quote:—Labradors \$3.13 to \$3.25; Cape Breton \$3.75 to \$4.00 and very few in the market; Dry Cod \$3.00 to \$3.25; Green do. \$4.25; large do. \$4.50 to \$4.75; North Shore Salmon \$10.50 to \$11, for No. 1. \$9.50 to \$10 for No. 2. \$9.00, for No. 3; British Columbia \$9.00 to \$9.50; Lake trout, \$3.75.

FURS.—Receipts are pretty liberal; some large lots of otter and beaver are reported. The quality is called very fair, and the demand for local requirements is well maintained. We would again recommend that holders of raw furs in the country should send in their