

underwent a diminution of 2,756, and the amount at risk \$6,698,473. Last year alone the total amount they had at risk fell off to the extent of \$2,621,778. The total amount the British companies had at risk contracted last year no less than \$1,128,641. Turning to our own companies we find that the very opposite has taken place. On the last day of December, 1874, our companies had at risk \$19,634,319, and on the 31st December last year this had swelled to \$21,957,296, which is an increase of \$2,322,977. We are convinced the Canadian companies will hold their own against the companies of other countries, and press on towards the mark of their corporate desire.

#### CONNECTICUT LIFE INSURANCE COMPANY.

—Life insurance has become such a necessity in man's social progress that it is to be regretted it should suffer any decline during a period of financial depression. Some American companies doing business across the border have experienced a large contraction in business during the past year. The experience of this company, however, has not to any extent shared in this decline. There has been an increase in the number of policies in force at the end of last year, when the amount insured was \$185,076,842. After providing a re-insurance fund at the rate of four per cent. the Company had a surplus of \$4,004,852. The assets have increased during the year \$3,050,955. The low rate of expenses in conducting such a very large business is a noticeable feature in the statement of this Company. Only 7.55 per cent. of the receipts were absorbed in the payment of expenses of management.

—The Canada Fire and Marine Insurance Company, heretofore doing business under an Ontario Charter, has received authority from the Dominion Government to transact business throughout Canada. We believe it is now the intention of the management to at once make a deposit with the Government and extend their Fire business to the Lower Provinces. They have wisely determined not to enter upon the Marine business until the company gets a little older and obtains more strength.

—We hear that Mr. McNab, general manager of the Bank of British North America, who has been suffering a severe illness, sailed from New York for England, on Saturday last, where he intends remaining for a short time. Mr. R. R. Grindley, manager of the Montreal branch, will fill his position, while Mr. Wm. Grindley, the Inspector, will manage the Montreal office. Mr. J. P. Lawless, formerly Accountant in the Toronto office, has been appointed to the management of the St. John N. B. branch, *vice* Mr. Thomas Maclellan, resigned.

—We note with pleasure that the Express Steam Line of Halifax is about to fill the gap in the connection between P. E. Island and Halifax so that the necessity of allowing American steamers to participate in the Atlantic coasting trade has passed away. It is understood in Halifax that the collector has orders to refuse clearance papers to any American boats for other Dominion ports. Halifax should hold the advantage thus gained as it will be a great feeder to its trade.

—The following resolution, adopted at a meeting of Grangers in the Western part of Ontario, shows the extent of their appreciation and liberality in dealing with the village storekeeper. Resolved "That we prefer dealing with local merchants and manufacturers whenever we can do so upon the same terms as with those at a distance."

—From Quebec comes the statement that Hon. L. R. Church, the Quebec Attorney-General, will leave in a week or two for England, to negotiate a Provincial loan of four million dollars on the London market.

### Correspondence.

#### NOVICES IN BUSINESS.

*To the Editor of the Monetary Times.*

SIR—It is strange how many men embark in business of which they are entirely ignorant, and live on the anticipation that they will be successful and make a competency. A striking illustration of this class has occurred in a western city. In October 1873 a carriage manufacturer died leaving a prosperous business which was steadily increasing under competent management, the profits netting nearly \$2000 a year. In April 1874 the deceased's brother, who was previously a drover, bought the then plant and stock, on one and two years credit, at a very fair reduction, and rented the establishment for five years, retaining many of the old hands and paying nothing for the good-will of the business. This drover was well and favourably known by the farming community, who were his principal customers, and being of a winning way, he got all the credit he required from dealers in his line. He was careful and economical and very attentive to business, but could neither keep books nor do any work in the shop. He made good safe sales. The "doubtful" or "bad" not exceeding \$270. He had only \$300 with which to commence business. Now an executor is winding up the estate, and has prepared a statement showing a deficiency of \$4,300, which will not pay 40c. in the dollar. Creditors, as usual, cannot see how this loss of over \$2000 a year occurred. He had to pay \$700 a year rent and taxes. Foremen demanded more wages, and he gave them, not knowing where to find others to take their places, and strangers he could not trust, not knowing when a day's work was done. To do business similar to the many rival establishments he was obliged to sell on credit. This mode necessitated him to carry \$6000 to \$7000 dollars on which he must directly or indirectly pay interest at from 10 to 12 per cent., allowing for expenses the moderate sum of \$800. These three items would about equal the loss. The apparent profits on manufactured goods were small, competition being keen, and will now be swallowed up by the shrinkage of stock and expenses of winding up the estate. The number of business men in the country similarly engaged cannot

easily be ascertained, but that they are the cause of many failures and trouble cannot be gainsayed. In those days of small profits, with keen and shrewd competition, novices without capital invariably come to grief; still, when one goes under another, Phenix-like, is found ready to take his chances and step into his shoes to eventually share a similar fate.

CRITIC.

### Insurance.

Stoney Lake, April 16.—The house of William Cox was destroyed by fire. Loss, \$150.

Pittsburgh, Ont., April 18.—Kinsler's hotel with stables was destroyed by fire.

Montreal, April 18.—A fire injured the glue factory of John Baker. Damage \$200, covered by insurance.

FIRE RECORD.—Halifax, April 24.—A fire destroyed the shop of C. Purdy and the shop and dwelling of J. D. Patton, at Bear River.

Greenwood, April 23.—The barn, all the out-buildings with 400 bushels of barley, and stock of W. B. Robson were destroyed by fire. Loss \$1,500; insurance, \$1,400.

Chesley, April 25.—Thomas Katon's barn and stables with contents were burned. Loss, \$1,000.

Ottawa, April 19.—The plumber shop of H. O. Dwinell was damaged by fire to the extent of \$1,000. Insured in Victoria Mutual for \$1,200.

Granby, April 21.—A fire destroyed the buildings of Messrs. Bradford & Jackson, and that of H. G. Frost. Loss \$10,000. Insurances, \$3,000 in Royal Canadian; \$3,000 in Stadacona, and \$3,000 in Canadian Mutual.

Dresden, April 20.—The total loss by the late fire is estimated at \$12,000. The several losses are as follows: Dr. Clarke, \$1,800, no insurance; Wm. Ward, removing goods, \$100, no insurance; M. Mooney, two buildings burnt and removing goods from new store, \$2,500, insurance on buildings, \$400; D. D. Williston, removal, \$250; B. Bridgewater, \$2,000, no insurance; R. M. Scarlett, loss by removal, \$200, no insurance; Mrs. O'Carr, \$500, no insurance; E. H. Wells, \$900, no insurance; Horatio Hughes, loss of building, \$1,000, no insurance; Rev. Thos. Hughes, estate, building, \$1,800, insurance, \$1,000; Arthur Smith, Esq., \$800.

#### THE INSTALLMENT PLAN IN FIRE INSURANCE.

Whatever has received the sanction of experienced minds in any profession is worthy at least to be investigated and analysed in a spirit of fairness, for whatever good or bad it may contain. Several companies have been doing a farm business on what they call the installment plan. We have taken some pains to ascertain their views and experiences, and with a view of calling out discussions from all sides, we give the results of our investigation thus far.

Installment insurance is mainly, if not exclusively, confined to detached risks, and preeminently to farming property. The policies are issued for the period of five years, and are good for all of that period, provided the policy holder fulfils his share of the contract, which is, that he shall pay annually in advance, the premium belonging to each year, that is, one of the five premiums for the entire period. The business thus becomes practically an annual business, with a contract from the insured party to continue to pay the amount annually due; and from the company, to continue the insurance if such payments are made. There is, of course, a risk that all off the contracts on the part of the insured will not be