

for fourteen years; and it was not until 1824 that marine insurance was thrown open, like life and fire insurance, to joint-stock enterprises and energy. To those who are acquainted with our commercial history, the folly of Parliament in so long maintaining the restrictions we have mentioned may cause some surprise. But in fact it is only of a piece with the whole of our legislation down to a very recent period. Every branch of trade, industry and mercantile association has had in turn to struggle for life, against the stupidity and obstinacy of our rulers, who are even yet far from disabused of the notion that they know better than traders what is good for trade.

From 1824 the number of English marine insurance companies has steadily increased with the augmenting business offered to them by our expanding trade. Liverpool and Glasgow have long possessed underwriters' rooms, and have transacted a large amount of business. Yet the enormous import and export commerce of Lancashire did not lead, till very lately, to the erection of any independent marine insurance companies, either in the great western port or in Manchester. Latterly, two or three offices have been established there, and Bristol has claimed the right of drawing marine insurance business to its busy mercantile city. Yet in all these places the insurance system flourishes rather like an exotic, having its true habitation in the metropolis of the empire. There are in London, at the present time, upwards of twenty proprietary marine insurance companies, besides several mutual ship insurance associations, which extend their operations in a smaller degree to the protection of freights and out-fits. The aggregate of members and subscribers to Lloyd's is rather above fifteen hundred, of whom four hundred are underwriting members.

**Financial.**

**TORONTO STOCK MARKET.—Wednesday, Oct. 30, 1867.**—Toronto Bank, 116½ a 117—offering at quotations; Ontario do., 105 a 105½—sellers at par; Montreal do., 133 a 134—no shares in this market; Commercial do., 40—Bank suspended: no transaction; Gore, 90 a 91—no transactions reported; Royal Canadian, 99 a 100—offering at 88; Canadian Bank of Commerce 103½—sales at quotation. Toronto Gas Company, 103—enquired for. Canada Permanent Building Society, 117 a 117½—sales at 117½; Western do., 107 a 107½—enquired for; Freehold do., 105—offering at 105. British American Assurance Company, 50—nominal. **Debentures:**—Government 6s, 99 a 100; do. 5s, 88 a 89—sales at quotations. Counties, Ontario, to pay 6½; Townships do., 8 a 9; City Toronto, 7 a 7½—in demand and none offering.

**PROVINCIAL NOTES.**—The following shows the amount of Provincial Notes in circulation, October 2nd, and the specie held for their redemption in Montreal and Toronto according to the returns of the Commissioners under the Provincial Note Act:—

Notes in circulation:	
Payable at Montreal.....	\$2,391,896
Payable at Toronto.....	1,167,797
	\$3,559,693
Specie held:	
At Montreal.....	\$464,333
At Toronto.....	300,000
	\$764,333
Debentures held by the Receiver-General under the Provincial Note Act.....	\$3,000,000

**STATEMENT OF FACTS CONCERNING THE RECENT NEGOTIATIONS BETWEEN THE COMMERCIAL AND OTHER BANKS.**—1. In the latter part of September the Commercial Bank obtained assistance from the Bank of Montreal to the extent of \$300,000, at the request of the Government and upon the security of Commercial paper repayable in November and December, with interest at the rate of six per cent per annum.

2. Upon the 16th October the Commercial Bank again applied to the Bank of Montreal for assistance to the extent of \$500,000, in consequence of the former loan not having proved sufficient to meet the withdrawal of deposits.

3. This advance was declined, for the reason that the Commercial Bank had considerably increased instead of diminished, its discounts during September, when it was in need of assistance; and also from the Bank of Montreal having learned that some of the largest depositors had already been secured by bills receivable.

4. The Commercial Bank then applied to the Government for assistance, and failed to obtain it.

5. The Commercial Bank renewed its application to the Bank of Montreal, which was again declined, with the suggestion, however, that the other Banks in Upper Canada should be applied to, and that if they were disposed to assist, and could not conveniently do so from cash resources, the Bank of Montreal would aid them in the latter.

6. The Bank of Montreal proposed to the Bank of British North America, and it was agreed that if such advances were required, they should be made by the two banks to the others in the proportion of two-thirds and one-third.

7. A meeting was held on the 20th October, when the representative of the Ontario Bank, being the only one that had arrived, after a full discussion, agreed to do his part, provided the others, who were expected from Upper Canada, would do the same.

8. On Monday Morning, 21st October, the following banks were represented at a meeting held at the Bank of British North America, of which Mr. Paton was appointed Chairman:—The Bank of Montreal, the Bank of British North America, the Ontario Bank, the Bank of Toronto, the City Bank of Montreal, the Royal Canadian Bank, and the Directors of the Commercial Bank.

9. The Commercial Bank explained its position, and asked for a loan of \$750,000, one-half at four, and the other at six months, upon the security of one million five hundred thousand dollars of Detroit and Milwaukee Railway Bonds, stating that to offer any other available assets would, in the opinion of the Directors, render it very difficult to carry on their current business. The meeting was informed that the Bank of Montreal and the Bank of British North America were ready to advance to the other banks if they were inclined to assist the Commercial, and did not find it convenient to render such assistance from their cash resources.

10. The last proposal was at once rejected by the Upper Canadian Banks, who declared themselves quite able to furnish any assistance they thought proper to give from their own resources.

11. A desultory discussion ensued, in which it was contended by the Banks from Upper Canada and the City Bank, that the measure of assistance to be rendered should be in proportion to capital, and not in proportion to immediate liabilities in the shape of deposits and note circulation, which it was urged by the Bank of Montreal and the Bank of British North America, formed the criterion of danger in case the suspension of the Commercial led to a general withdrawal of confidence in the Banks.

12. It was then suggested by the Bank of Toronto that the Bank of Montreal should surrender the securities obtained for the loan made in September, and accept Detroit and Milwaukee bonds incomm on with the other Banks, and that each contribution should be in proportion to capital.

13. The Bank of Montreal rejected this proposal, and stated that having already assisted the Commercial, and its offer to advance to other Banks in support of the Commercial having been declined, it withdrew from the meeting, for the purpose of allowing the other Banks to decide amongst themselves how far they would go in advancing to the Commercial before the Bank of Montreal would take any further part in discussion.

14. The Bank of Montreal was requested and agreed not to discredit the Commercial in the meantime, upon condition that the result of the meeting should be communicated without delay.

15. The Hon Mr. Galt, who had been requested to attend the meeting of banks, when no prospect of agreement seemed probable, proceeded to the Bank of Montreal with the President of the Commercial Bank, after the close of the meeting, to announce that the banks had agreed to contribute as follows, to support the Commercial, subject, however, so far as the Upper Canada banks were concerned, to confirmation by telegram from their head offices, viz:—

British.....	\$100,000
Bank of Toronto.....	60,000
City Bank.....	72,000
Royal Canadian.....	60,000
Ontario Bank.....	120,000

Total.....\$412,000

And it was expected by the meeting, that the following banks would not refuse to contribute when the circumstances were explained, viz:—

Gore Bank.....	\$60,000
Merchants' Bank.....	72,000
Quebec Bank.....	60,000

\$192,000

Making \$604,000 in all.

16. The Bank of Montreal, on hearing of this result, agreed to await the confirmation expected from Upper Canada, and also, if the proposed arrangement was carried out, to extend the time for re-payment of its loan of \$300,000 to the same same period as the loans from the other banks.

17. The Bank of British North America advanced \$100,000 to the Commercial, for the day, on commercial paper, to enable settlements with other Banks to be made.

18. After considerable delay, telegrams were received from the head offices of the Banks in Upper Canada, declining to sanction the advances that had been agreed upon by their representatives in Montreal.

19. The Commercial Bank, at a late hour in the evening, made a final application, desiring to know if there were any terms upon which it could be sustained by the Bank of Montreal, the reply being that it was hopeless to expect the latter could undertake such a serious responsibility at that time.

20. All efforts to obtain assistance having failed, the Directors of the Commercial Bank resolved to suspend specie payments, as already announced.

**Railway News.**

**GRAND TRUNK RAILWAY OF CANADA.**—Including the receipts of the Montreal and Champlain and Buffalo and Lake Huron Railways. Return of traffic, for week ending Oct. 5, 1867:—

Passengers.....	\$56,371
Express Freight, Mails and Sundries.....	5,000
Freight and Live Stock.....	98,959
Total.....	\$160,330
Corresponding week, 1866.....	144,211
Increase.....	\$16,119

**EQUIPMENT MORTGAGE BONDS OF THE GRAND TRUNK.**—It is intended that the existing Equipment Mortgage Bonds shall "remain undisturbed", and shall not form part of any new issue of those bonds. At first it was intended that the new issue should rank equal with the old, but it appears now they are to rank second to those existing. We presume this is the meaning of the paragraph in the Grand Trunk report relating to the subject. If so, there will be 1st and 2nd Equipment Mortgages, as there are 1st and 2nd Preference Bonds. We believe that all the Equipment Mortgage Bonds are safe enough, but the new arrangement has the effect of strengthening the existing Equipment Mortgage Bonds. In effect it throws the Postal and Military Bonds behind them, whereas the postal, &c., rights were considered (by some) to stand first, since they took their receipts bodily, and irrespective of working expenses. But the Arrangements Act certainly constitutes the £500,000 of existing Equipment Mortgage "a first charge of hypothec, both for principal and interest, upon and over all the Company's railway, works, rolling stock, and other plant, prior to all other charges or hypothecs thereon"—words of the act itself. The arrangements to be made in the new bill upholds this high position of the existing £500,000 Equipment Mortgage Bonds. The arrangement is of course very just.—*Herepath's Railway Journal.*

**AMERICAN RAILWAYS.**—A meeting of railway men and others was held in the Cooper Institute, New York, on the 17th, to discuss the matter of cheapening railway freights. A committee was appointed to go into the whole question and get the fullest information possible. Their report, if practical, thorough and carefully compiled, will be of much interest and value.

**RAILWAY CHARTER.**—The Owen Sound *Advertiser* thinks it high time that some movement were being made previous to the meeting of the Local Legislature, to assist the Directors of the Toronto, Grey and Bruce Railway Company in obtaining a charter for the construction of the road.

**GREAT WESTERN OF CANADA.**—It is said the travelling on this line is very smooth and comfortable; indeed, quite English, and therefore far better than anything of the kind in America, or elsewhere. The English make the best railways, but they are sometimes a little too easy in their terms. We contend that neither the Great Western of Canada nor the Grand Trunk Railways should have been made without a guarantee from the Canadian Government.—*Herepath's Railway Journal.*