

well, increase of wages and of operating expenses drawing heavily upon the gross earnings, but with the advance in freight rates the net returns should, and undoubtedly will, make a better showing.

The coal roads are now taxed to their utmost to provide facilities for the marketing of the coal being mined. It is stated that on one day last week, the Reading made an output of 1,305 cars from thirty-one collieries, and when this Company gets its remaining collieries in operation, it hopes to materially increase this amount. With such business as is now being done by this and the other coal roads, and which from all appearances bids fair to continue for some months to come, the Companies should and will show gains that will, in a great measure, offset the losses made during the strike.

Fixed charges of some of the Railroad Companies are likely to undergo a considerable reduction during the coming year, through the refunding of some of the high priced bonds and the issuance in their place of securities bearing a lower rate of interest. Two of the largest issues that will be retired during 1903, are the \$18,000,000—7 per cent. bonds of the New York Central on January 1, and some \$22,000,000—6 per cent. securities of the Chicago, Burlington & Quincy on July 1. Arrangements have been completed to replace the New York Central bonds with an issue at 3½ per cent., and it is more than probable that the Chicago, Burlington & Quincy will be able to make the same rate on their bonds. It is stated that this refunding will make a saving to the New York Central of some \$786,510, or something over ½ per cent. on the stock, while the saving to the Burlington will be about \$584,050. Some of the other Companies who will probably follow this course are Illinois Central, Northern Pennsylvania, Chicago & Alton, and the Cincinnati, Indianapolis and Western, but it is doubtful if these corporations will be able to do better than 4 per cent.; but even at that rate the benefit to stockholders will be considerable.

The market this morning opened strong and has gained in strength during the day, and closes with a better tone than it has had in some days.

TORONTO LETTER.

The Orme fire, Ottawa—Our fuel famine—No Christmas recess for Toronto Board—Anxious days—A coming Institute debate.

DEAR EDITOR:—A few words of comment may not be out of place in reference to the fire that occurred in Ottawa last month, whereby a rather heavy loss was put upon the insurance companies interested. I refer to the destruction of the building and contents owned and occupied by J. L. Orme & Son. First, as to the immediate cause of the fire it is generally understood that it originated around the heating apparatus, and therefore may be considered as connected with the use of wood for fuel. We were told that an old piano box filled with kindling wood was the locality in which the fire began. Second, the time of the fire, somewhere around 5.30 p.m., the building having at the instant its usual occupants, employees and others, suggests that a quicker alarm and a quicker fire brigade service should have been possible, with a consequent confining of the damage within a smaller compass or area, than was done. Of course, the safety of all the people in the building would be the first consideration, but surely an instant 'phone message and alarm, if the firemen were responsive, would have yielded better results in the way of salvage on both building and contents. The record is, \$13,000 loss on a generally admitted first-class building, and about \$20,000, on stock. This is a pretty smart loss for an afternoon fire, with no obstructing causes such as bad weather or

any other unfavourable outside conditions or circumstances. The loss on building, I see will not exhaust the insurance on it. This seems to have been a case wherein the 75 per cent. coinsurance clause, had it been attached to the policies, would have benefitted the companies.

As anticipated, the really severe struggle and consequent suffering from a shortage of the fuel supply is now beginning with us in Toronto, and the recent cold snap has clearly revealed the situation in which too many people find themselves, and this is only the beginning of winter too. The charitable and benevolent societies will have their hands full in relieving the poor and destitute.

The members of the Toronto Board have not availed themselves this year of the customary recess taken at Christmas time, but will just continue to hold their monthly meetings as usual. I suppose they have not been feeling the need of any recreation or release from board meeting duties, being in no way debilitated or run down from overwork.

With the latter half of the last month of the year comes the anxious period for those managers who can report a fair profit up to date. I understand there are a number of companies, more than usual perhaps, who can be congratulated upon the improvements in their Canadian business during the past eleven months. It is to be sincerely wished that their record will hold good to the end of the year.

On the 18th inst., the first debate of the season will be held by the Insurance Institute of Toronto. The subject is, "Resolved, that insurance offers a better field for the display of mental ability than does any other business or profession." This statement or proposition is a large one, and if well handled, ought to give rise to a lively discussion. There is a world of truth embedded in these few words, as so many of us know. The Ideal Insurance Man product of the centuries knows about everything worth knowing, and his calling needs for its efficient, perfect working, information of the most general and generous proportions. He must be well equipped, well versed in all the sciences and ologies, and withal not unacquainted either with the fads and fancies of the promoters of experimental insurance. In a sentence, he must be an all round man, and so to be all this, and to stand upon such a lofty pedestal, he needs to have a mental vigor and ability, superior to that needed in "any other business or profession" whatsoever. So you see I stand with the affirmatives.

Once more it is my privilege and pleasure to wish you and yours, and all readers of THE CHRONICLE, a Merry Christmas and a Happy New Year.

Yours,

ARIEL.

Toronto, 16th December, 1902.

LONDON LETTER.

London, Dec. 4, 1902.

FINANCE.

To get a return of four per cent. on the best security may not strike the Canadian investor as being anything worth being particularly jubilant about, but I can assure him that only recently has that been possible here. The reason, of course, lies in the multiplicity of borrowers of first-class position, with the added phenomenon of coy investors. Last week, I think, I referred to the lack of appreciation which one colonial loan was being received here, and I am now given to understand that the guarantors of the Natal loan were saddled with sixty per cent. of the issue whilst the guarantors of the British Columbia issue had to find the cash for actually eighty per cent.

More convincing proof of the backwardness of the invest-