

the accumulated capital, and company after company was either absorbed or went to smash, the assets and reserve funds disappearing into thin air instantaneously. These abuses soon began to work a radical reform of themselves, for the reason that an outraged public began to be shy of the whole system of insurance, and the really reliable companies were driven to defend themselves in the exposure of the frauds.

The honest Insurance Companies very naturally sought for relief and justice at the hands of the law makers, and in several States the Legislatures were appealed to, to enact laws looking to the protection of the public and the fostering of the business, in order that the vast structure might not be at once toppled over by the connivance of knaves. In many States protective laws were enacted, and had a wholesome effect. State Supervision over the affairs of all Insurance Companies doing business became the rule, and State Departments were created designed to be presided over by honest and experienced men, competent to supervise the business, as conducted throughout the State. In some instances these departments are fairly and honestly conducted, as is shown in the State of Massachusetts, presided over by that excellent gentleman Julius L. Clarke, Esq., as in Ohio, where Supt. Church presides. In other States also much practical good is done, but in many great harm is inflicted on insurance interests, and the curse of *too much supervision*, by incompetent men, is becoming obnoxious. The plunder-seekers, not to be outwitted, allowed matters to go quietly on, until one State after another had enacted laws to establish departments. At a proper time their trap was sprung. Throughout the country a horde of disappointed politicians, many of them defunct officers of the defunct wildcat organizations, made a raid upon the State Legislatures, and had themselves or their friends appointed to position, wherein a system of outrageous imposition was at once begun, in the shape of licenses, taxes, examination fees and a thousand and one other expenses, aggregating such a figure as to make it a palpable outrage upon the Insurance Companies and an equal outrage upon the policy-holders, whose money is thus, unnecessarily, squandered to gratify the rapacious demands of the incompetent, dishonest and rascally officials who have been appointed to office as Superintendents, Examiners, &c. These laws, in some States, give to the Superintendent the power, whenever an opportunity offers, to keep up a constant system of black-mail, by which rotten and bankrupt organizations are placed upon the same footing with the best companies, for a proper consideration. They also authorize the official to practice intolerable and incessant annoyance upon the reliable companies when an application is made to do business in the several States, as the Superintendent may demand the books of the concern, employ an Actuary at heavy expense, retard the business operations, and then send in an exorbitant bill of expenses, to be paid out of the policy-holders' fund. These examinations may be made at anytime and at any cost the superintendent sees proper to exact, and the insurance business therefore is wholly at the mercy of a parcel of miserable creatures who care for nought else except to line their pockets. The expense of these frequent examinations, and licenses, and taxes, have become so enormous, nearly every State in the Union being entitled to a liberal share of the plunder, as to amount to about 20 per cent. of the business done, and, instead of being a benefit, through the machinations of dishonest officials, State Supervision has become a literal curse, which calls for immediate relief from some other and higher source. If State Supervision, then, is a failure, what is to come next? Some other method must be adopted to get out of the clutches of the vampires who are getting the very life blood of the busi-

ness. But what? There is but one answer. Appeal to our National Government for relief, and urge the immediate establishment of an Insurance Bureau, as a part of our national political machinery, which shall be presided over by officials who shall be selected for their experienced competency as practical insurance men, and who shall be held responsible before the people—just as is the Secretary of the Treasury at present, for the proper management of the National Banks—for the honest management by all companies of the affairs of their masters, the policy-holders. This would at once end the matter of exorbitant licenses, &c., of the detestable system of black-mail, and of the passing of rotten and disreputable companies by equally disreputable Superintendents.—*Avalanche.*

PROSPECTS OF THE ENGLISH IRON MARKET.

It is now two years since the first decided movement in the price of iron, and prices for a considerable portion of that period have been nearly double those current during many preceding years. It is probable that the climax has been reached. The last "turn" in the trade has been characterized by features altogether different from those which have accompanied any similar period of prosperity. On previous occasions when prices advanced almost the whole of the rise went into the pockets of the masters, and, therefore, as soon as a decline set in, the competition to secure any profit that might remain quickly brought prices back to their old level. It is different now. It is estimated that one-half to two-thirds of the late advance was due to the increased remuneration of labor, so that there is no great margin for reduction without touching wages, and this will be a difficult as well as tedious operation. As the present prices of manufactured iron do not show any margin for profit on the current prices for pig iron and coal, it remains to be seen what are the prospects of a fall in these materials. As regards the prospects of coal, we have shown from evidence given before the Parliamentary Committee that, while there was every certainty of a considerable fall from late extreme prices, the downward course would be greatly retarded by the action of the men, who would resist any attempt to reduce the present high rate of wages, and thereby so far limit the output of the pits as to prevent stocks from accumulating. It can only be as the consequence of some serious stoppage in the iron trade (which it is estimated consumes nearly one-third of the whole amount of coal raised) that prices will fall to the actual cost of production, which, with the high wages now ruling and likely to rule for some time, must be very considerably above the old fashioned rates. As respects pig iron, it may be noted, in proof of the exceptionally strong position it holds, that during the last month or so, while coal has been trending downward there has been but little change in the price of pig iron: there have been fluctuations, but the latest tendency has been upwards. This arises from the exceptional demand that has been so long experienced, and that more especially for export. Considering how largely the consumption of the last two years has been in excess of the production, there must be a very serious falling off in the demand before pig iron goes largely into stock again, which it must do before we can anticipate very much lower prices. There are no doubt evidences that the late high prices are at last beginning to tell on the foreign demand for manufactured iron, but against this it must be noted that the export demand for pig iron (even at late extreme prices) is in excess of the large figures for 1872, for the returns for the first four months of 1873 are 417,905 tons, against 382,385 tons in 1872. It should also be borne in mind that stocks abroad are everywhere at their lowest, as holders con-

sider present prices quite exceptional and dangerous, so that foreign orders, even though limited in extent, cannot be long withheld. It is fair to assume that while high prices must interfere with and limit the use of iron in many forms, they must, on the other hand, have the effect of stimulating production. The stimulus is very manifest at present among our Transatlantic cousins, and it is estimated that during the present year they will increase their production about 500,000 tons, which will bring up the total to about 2,800,000 tons. To sum up, we remark that any reduction in manufactured iron can only be looked for as the result of a fall in price of coal and pig iron. Coal is being reduced in price, but this fall seems likely to be greatly affected by the restrictive action of the colliers. Pig-iron is low in stock, and there must be a very serious falling off in demand before stocks accumulate and prices decline. While apprehensive of the stimulus which high prices give to production, it is necessary to remember the restrictive influences which are arresting development in this country, and also the extraordinary increase in demand which the experience of the last few years has revealed.—*Liverpool Albion.*

Commercial.

MONTREAL MARKET.

From our own Reporter.

MONTREAL, July 1, 1873.

This being Dominion Day there is no meeting on the Corn Exchange and business is generally suspended throughout the city.

The suspension of one of our largest importing houses was announced on Saturday causing much regret among the mercantile community, and reports of other failures are also current, but as yet we have not heard of their being confirmed. These failures and rumours has had a very depressing effect on business of all kinds, and this week we may safely assert has been the dullest known in the city for many years past, there being little more doing than the supply of retail wants.

Freights are without material change since last week, and tonnage is in fair supply.

Weather very warm, we have had one or two very light showers during the week, but more is badly wanted crops are suffering a good deal from its want.

ASHES.—*Pots.* There has been a moderate amount selling of firsts at prices ranging from \$6.35 to 6.25, but at the close of the market yesterday there was rather more firmer, and sales were made at \$6.30 to 6.35. Seconds and thirds are dull and unsteady. *Pearls.*—The receipts of this description of ash are so limited that it is difficult to establish quotations. The nominal value of firsts is \$8.50; seconds \$7.00, the latter sort being very difficult to place. The stocks at present in store are Pots 1,738 brls. Pearls 144 brls.

• *BOOTS AND SHOES.*—Quotations are without any change, business very dull, manufacturers are busy on fall good. We continue to quote:—Men's No. 1 stogas, \$2.50 to 2.75; ditto No. 2, \$2.25 to 2.30; kip clump, \$3; calf clump, \$3.75; calf congress, \$2.50 to 3.00; boys' boots, \$2 to 2.25; women's calf boots, DS, \$1.30; ditto buff, DS, \$1.25; ditto buff congress, DS, \$1.35; ditto balmorals, DS, \$1.40 to 1.60.

CATTLE.—The demand owing to the very warm weather is hardly so active as during the previous week and the supply is more than sufficient to meet it. However prices of first quality is well maintained at \$7.00 to 7.50; second quality \$6.50 per 100 lbs dressed weight.