

THE SHAREHOLDER.

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LIFE INSURANCE IN ENGLAND.

LIFE INSURANCE in the United Kingdom appears to be accomplishing the paradoxical feat of "advancing backwards." The old offices do not find that applications come in in any proportion to the increase of the population, or to the increase of the country in wealth; while the new offices complain that, with all their advertisements and their payments to agents—payments which are sometimes positively monstrous—the public still display a reluctance to insure. A considerable amount of English business, too, goes to American offices, which give much better terms, and seem, though this may be only seeming, to be under much stricter guarantees as to their solvency. The public, too, is dissatisfied with the treatment it receives at the hands of the home offices—the insurer is treated as a swindler, to be guarded against, and cross-questioned, and watched. It is further discontented with the fact that there is no governmental supervision, as in Canada, of the real financial condition of a Company. Hence the most glowing balance-sheets are made out perhaps just on the eve of a grand crash. The question, too, is becoming more freely asked, why should not an office allow a policy to be reduced returning part of the paid premiums; or to be suspended for a time and then re-opened on payment of the missing premiums and the necessary fine? That right of suspension, even for one year, would be a real privilege, it is argued, and if offered for five years would seem to intending insurers greatly to increase the value of the policies. The Directors may say the change would make calculations more complicated, and so it would; but their actuaries must be able to deal with a new condition, which, so long as the possible period of suspension is fixed, is no more difficult of calculation than any other problem in insurance. There is a growing disgust, too, at noticing the frequent and palpable fact that no technicality is too small for some Companies to avail themselves of in order to defeat a claim. The disgraceful amount of litigation literally forced on policy-holders is there, as here in a few notorious institutions, a fruitful cause of the disfavor into which life insurance is growing in the mother-country. The above observations are intended for special reference to life insurance companies in the

United Kingdom. Some of our own established institutions here may perhaps profitably con over the problem whether a radical advance in liberality in connection with life-policies would not be found to be a handsomely paying reform and innovation. What would be the effect of making all policies virtually indisputable, ample precautions being primarily taken in the investigations of a Company's agents and other officers? Or to give a man who has paid several years' premium an absolute right to an award bearing an equitable proportion to the moneys paid? We agree with many others that if a sound well-established company, with an earned reputation for honesty and honor, would strike out with a new and liberal policy more or less in the direction we have indicated, it would speedily bear down all rivalry.

OUR COTTON MANUFACTURES.

AMONG other questionings called out by a certain able and now famous bank report a few weeks ago was whether or not we are putting up cotton factories too fast in Canada. Very close enquiries have since been made, producing as one of the results the fact that the proportion of spindles in the United States as compared with the Dominion, allowing for difference of population, is fully four to one. Yet in the former country they maintain a high degree of prosperity and are constantly increasing in numbers, and in the extent of spindles in operation in the existing factories. Certainly the recent statistics fail to show that the cotton trade in Canada is by any means overdone, or, compared with our neighbor, that its capability for the profitable erection of additional factories has been nearly reached. Nor is this view disturbed in the presence of the fact that the American manufacturers are also exporters, for the proportion of their production that goes abroad is but a fraction of the whole, and even much of that produces no profitable returns. Besides which they import much more than they export. The following statistics give some idea as to our growth and present position in this branch of manufacture, together with an occasional comparison with other countries. At the close of '78 about 150,000 spindles were in operation in Canada; up to the present time, July, 1882, the total number of spindles in operation, building and projected, is about 385,000—say in round numbers 400,000. The total number in Great Britain is about 55,000,000. The total number in the United States, according to the census of 1870, was 17,000,000. There has been an increase of about 5,000,000, making in all about 22,000,000. The United States, with 22,000,000 of spindles, and 52,000,000 inhabitants, has one spindle to 2 4-10 of her population. Canada, with 400,000 spindles, and 4,500,000 of inhabitants, has one spindle to 11 2-10 of her population. The United States export some staple lines of cottons, but they also import to a much larger

amount than they export. If the United States require 22,000,000 of spindles to supply or partly supply her home consumption, Canada must require an equal proportion, or nearly 2,000,000 of spindles, instead of the 400,000 we now have. Assuming that 2,000,000 spindles will supply the demand for home consumption, the increase of population will require an increase of about 45,000 spindles each year, or an addition of one large mill. The importation of cotton goods for '78 was \$7,500,000, the importation for '81 \$10,500,000, the importation for eight months of '82 \$7,260,000, in addition to the large increase in the output of our mills, which may be put down at about 250 per cent. The correctness of some of the above figures has already been challenged, but when experts differ who is to decide? The errors, if any, are in the American estimate, those of Canada being undoubtedly fairly correct. But making ample allowance for exaggeration in that portion, it seems clear that the alleged over-building of cotton factories has by no means been reached. On the contrary, it would appear that addition might be made to their number at little risk. It is even contemplated, we understand, to erect print works here, and print annually the production of about one hundred thousand spindles. Now, all this class of production has to be imported, in addition to the millions of dollars worth of cottons that we ought to be able to produce for ourselves.

THE PROPOSED NEW CANADIAN CABLE.

WE called attention some time ago to the new corporation known as The European, American, Canadian, and Asiatic Cable Company (limited). It is incorporated, it will be remembered, under an Act of the Dominion Parliament, and its principal objects were outlined in our former articles. It has now issued a prospectus, and the advertisement, to be found in another column, shows that it is to be conducted on a system of mutual profit. A contract has been made with Henley's Telegraph Works Company for about 6,120 miles of cable, comprising two complete cables between England and Sable Island, Nova Scotia, and connection with Canada and the United States, for £1,445,176 sterling, to include the manufacture, laying and landing, and keeping the cables in working order for thirty days after laying, and all the preliminary expenses up to allotment, except £6,000 for the cost of obtaining the Act, the Company taking £350,000 of shares in part payment. The capital of the Company is to be £1,500,000 sterling in £10 shares. The Company has power to lay cables from our Pacific coast to Japan and other parts of Asia, and to connect with the Government's lines of wire. On the "mutual" principle, it is proposed to make special distributions of part of the profits among those shareholders who bring in business. The Company means to charge only nine-