

By adding 30 per cent. to the above for expenses of management, which was then the prevailing ratio in the Union, it will be seen that business done in the following States was done at a loss to the companies: Alabama, Arkansas, Florida, Georgia, Ohio, Texas and Virginia. The southern States appear to be the worst in the matter of fire loss. Upon the whole, our subscriber may see from these figures that the lesson of experience is that there was a need for the readjustment of rates.

FIRE INSURANCE.

An addition of ten thousand dollars to assets and of thirty-three thousand dollars to surplus are among the results of the Royal Canadian Insurance Company's business in 1886. The total assets of the company are now \$719,178 and the liabilities, capital and re-insurance reserve included, \$623,522, leaving the surplus \$95,656. The premium receipts were not so large as in the previous year, and the loss ratio was much heavier, but the ratio of expense is lowered and the earnings from interest are getting to be an important item. Such a list of clear assets as the company now boasts will compare favorably with that of some former years. To have reached such results as are shown in a comparison of the last three years' business of this company implies business ability as well as underwriting skill. It is well understood that the directors of the Royal Canadian have business ability; it is perhaps not so well known that Mr. McHenry, the company's manager, possesses skill as an underwriter. He is showing it, however, and the company is to be congratulated on its position and record.

We observe in the report for 1886 that the business of the Mercantile Fire Insurance Company continues to increase. Some six hundred more policies were issued in 1886, when the premiums reached \$95,759 as compared with \$89,000 in the previous year and \$79,000 in 1884. In common with other companies, losses were found heavy, being nearly sixty-three per cent. last year. Still, the Mercantile was able to pay eight per cent. dividend and have a surplus of \$17,000 after providing for re-insurance liability. Its lines are limited, we understand, and well distributed, so that it has little to fear from conflagration. The company's assets are shown to be in good shape and its long list of shareholders contains some of the best names in the rich county of Waterloo.

LOAN SOCIETIES' MEETINGS.

Following the general tendency of such societies towards lessened earnings, the Ontario Investment Association's report shows that, while that company's loans in 1886 were largely increased, the earnings were not greatly above those of the previous year. Indeed, its ratio of earning was less last year by about three quarters of one per cent. The larger business was done, however, at about the same outlay under the head of general expenses as in the previous year. After paying eight per cent. dividend and \$1200 income tax, a sum stand-

ing at suspense account has been written off and debenture commission account is reduced. The Association has purchased the assets of the Brant Loan and Savings Society, an important step, and one which will probably result advantageously to the purchaser, reducing as it does the number of competitors. It is proper to observe that this association is not a mortgage loan company purely; something over a third of its investments consists of loans upon debentures or upon stocks of mortgage companies. His ability in this particular field renders the illness of Mr. Henry Taylor, the managing director, particularly regrettable. We may join in the hope of his speedy restoration to health.

In its eighth year, the Manitoba and North West Loan Company, limited, shows earnings of \$86,000 with loans of \$1,100,000 and a properties account of nearly \$100,000. The net profits of the year 1886 are \$32,662 which suffices to pay seven per cent. dividend and to place \$11,000 to Res^t, which now amounts to \$111,000. The balance, of some \$30,000, brought forward from 1885, is allowed to remain at the credit of the revenue account "for the present." Debentures to the amount of \$130,000 have been paid off during the year, and obligations of the company to the extent of \$141,000 have been issued, making the total of debentures outstanding \$768,000. We learn from the report that the condition of Manitoba farmers continues to improve; and the extension of railway facilities, namely, the C. P. R. southwest branch, the M. & N. W. railway, and the prospective Hudson's Bay railway, will do much for the more rapid settlement of the country.

THE LIFE AND AIMS OF A CANADIAN MERCHANT.

A feature in the address of Mr. Henry W. Darling, late president of the Toronto Board of Trade, at the banquet in his honor last month, was the sketch he gave of the daily life of a Canadian merchant. We have pleasure in being able to give this portion of the address entire, as a worthy expression of the high ideal that should animate mercantile men, and an exposition of the wishes and aims of those who are in trade, far more accurate, we believe, than the views generally entertained of them by those who are not:

"Having recently taken up your attention by a lengthy address," said Mr. Darling, "I shall not be expected to weary you with many more words to-night. In connection with this gathering I have been led to reflect somewhat upon the life of a Canadian merchant, and I would remark that it has, amidst its arduous labors, its ceaseless anxieties and imminent perils, *but few triumphs*."

"The old-established business, handed down through many generations to the present incumbent, who enjoys the fruit of his forefathers' labor, is here practically unknown. Each man has to be the architect of his own fortune and to rise or fall by his own effort. There is no hereditary vantage ground, nor is there any royal road to success but by the skill, the application and the industry of the man himself.

"The number of those who amass great wealth is exceedingly few; of those who achieve a competence there is but a small proportion; while those who through viciss-

tudes and disappointments, overcome by successive defeats, make a living, maintain their families and leave off very much where they began, are in the large majority. And here I would rehearse to you what I have said to more than one clergyman, with whom it is a frequent habit to 'point a moral and adorn a sermon' by alluding to the mercenary merchant who spends his busy days and sleepless nights in striving to amass wealth. I have told these gentlemen that they do the average merchant a monstrous injustice; for I ask you to bear me witness whether it be not true, rather than these earnest strivings, these ceaseless labors, are in most cases inspired not by the desire for wealth, but by the fear of failure, and by a sense of responsibility to those who, depending upon your exertions, have extended to you credit and the use of means which may be in jeopardy if you slack your hand or relax your effort.

"But, sir, if the merchant be not a moral man, not the highest type of a citizen, it is not because he is not called upon daily and hourly to exercise the graces of the Christian. Are not credit and faith synonymous terms? And is not faith the foundation and bulwark of the commerce of the world? In faith that we shall be repaid we trust all kinds of men with our goods. Before we get the fruit of our faith we have frequent opportunities of exercising forbearance, often to the verge of extremity—then renewed faith, forgiveness restoration to favor, hope, and not infrequently charity. We exercise all these as good stewards, having received them in large measure, being at once the depositories and the dispensers of them, not knowing when we ourselves may need the like clemency.

"We are apt to look with envy at the triumphs of the soldier on the field of battle; at the intrepid mariner in his triumphs over the storms and dangers of the sea; at the man of science in the extent to which he fathoms the deep thoughts of the Creator and renders tributary to the advancement and amelioration of the conditions of human life, the discoveries of the forces and laws of nature; at the triumphs of the statesman, the orator, the counsel, the preacher, as they sway men's minds with the eloquence of their appeals; at the triumphs of the literary man, 'whose pen is mightier than the sword.' But who shall discover wherein lies the triumph of the merchant?

"I have failed to find it, if it do not lie in this: That he has so conducted his business, that he has so fulfilled his duties as a citizen, and the public duties he may have been called upon to discharge, in such a manner as to maintain a good conscience himself, and to have received the approbation, the esteem and the good will of his fellow merchants. As for me, I wish no greater triumph.

"Yet, sir, while we are called upon constantly to exercise the christian graces of which I have spoken, we should be grateful for every influence by which we are surrounded, helpful to that high standard of probity and honor by which tradition speaks of the British merchant. I believe, Mr. Chairman, that the sentiment of this community is decidedly in favor of that which is true and good and against that which is false and corrupt.

"The fair commercial fame of this city was recently disturbed by the disgraceful failure of one or two foreigners, of whom it can certainly be said they were not of us. If the record of these failures testified to anything it was not that the merchants of Toronto were