

view, for the commencement of the Grand Trunk Pacific and the development of the Canadian Northern. The construction of the Temiskaming & Northern by the Ontario Government has materially promoted the extraordinary development in 1906, of the phenomenal Cobalt mining camp. The line is being extended this year still northward, to connect with the Grand Trunk Pacific.

The tonnage of ocean going vessels coming to the port of Montreal shewed but a slight increase, from 1,940,056 in the season of 1905 to 1,968,879 this season. The tonnage of inland vessels coming to this port increased in the same period from 2,781,191 to 3,095,174. The chief passenger steamer lines all report that the season has been the best on record for transatlantic passenger traffic. The harbour improvements are progressing, but have been somewhat hindered by friction between the commissioners and between them and the Government and some of the employees. The thirty foot channel was opened late in the season.

One of the events of imperial importance during the year was the Congress of the Chambers of Commerce of the Empire held in London last July. At this Congress the Montreal Board of Trade, the Montreal Chambre de Commerce, and similar institutions in other Canadian cities, were duly represented.

Of special interest to our readers has been the Royal Commission on Insurance, the proceedings of which have been fully reported in this paper. This Commission, the appointment of which was suggested by the exposures made in the United States of questionable practices in connection with life insurance, has only served to demonstrate the general soundness of the insurance companies doing business in Canada. The companies have, however, been put to enormous trouble and expense to supply the Commission with information, the usefulness of much of which is highly problematical.

In like manner the failure of the Ontario Bank has served to call widespread attention to the absolute soundness and safety of Canada's banking system so far as it affects the public. The prompt action of the Bank of Montreal and other banks in coming to the assistance of the institution which was in difficulties, prevented anything remotely resembling panic. Neither note holders nor depositors were ever in danger of losing a cent and the shareholders themselves will receive a dividend of from \$500,000 to \$750,000 on their capital.

On the debit side of the world's profit and loss account this year stand two big items in which many British and some Canadian insurance companies were interested, the San Francisco and Valparaiso earthquakes. The property loss in San Francisco was estimated at \$300,000,000 and the

insurance loss at about \$175,000,000. The property loss at Valparaiso was also enormous, but owing to most of the policies containing an earthquake clause, the insurance loss was comparatively small.

Perhaps the biggest event of the year, of national importance to Canada, was the introduction in Parliament of the Hon. Mr. Fielding's new tariff. The importance of the measure lies not so much in any great increases or decreases in the customs duties, as in the adoption of a principle new in Canadian tariff legislation, the principle of discriminating between the nations whose tariffs are friendly to Canada and those whose tariffs are hostile, either in their incidence, or in their intention. By this tariff the Dominion combines a considerable measure of reciprocity, with a high degree of protection to Canadian industry, while still preserving the British Preference in equal degree, but somewhat altered form. The principle is one which has long been advocated by THE CHRONICLE.

Coming to personal matters, the City of Montreal was fortunate this year in electing Mayor Ekers to the civic chair, and the Montreal Board of Trade is to be congratulated upon having elected Mr. F. H. Mathewson as its president.

British Honesty. Slow as the typical British manufacturer or merchant may sometimes be to adopt modern methods, there is one respect in which his conservatism continues to serve him well. In general he still considers that misrepresentation is, in the long run, but poor business policy. That this deep-rooted prejudice in favour of honesty does stand him in good stead was made evident in a decision recently given by the customs appraisers at New York, on a matter of disputed classification and duty. It was strikingly shown that stronger reliance was put upon the customs declarations of British than upon those of other merchants.

Trial by Jury. Year by year, rural literary societies and sophomore debating clubs discuss with forensic zeal the merits and demerits of the jury system. By the press and by lawyers, too, its shortcomings and anomalies are more often commented upon than its benefits. But when all is said, a system which has perpetuated itself through an evolution of a thousand years is too firmly entrenched for any likelihood of destruction. And whatever its deficiencies, no other method of determining an accused man's guilt or non-guilt so appeals to general fair-mindedness. Judge R. B. Cowing, in re-