

members of the House, but speculators and investors generally, must face a period of very severe depression in prices, the consequences of which may be exceedingly grave.

Improvement in Bank's Position.

The tendency all this week for London prices has been downward, and the speculative markets have indeed been disconsolate. In Kaffirs there has been a steady stream of selling. The only really cheerful thing about the week has been the Bank Return. £1,635,000 in gold has been received on balance from abroad, and in addition there has been a return of half a million in gold from the country, and a contraction of £377,000 in the note circulation. So that the reserve has been raised by £2,519,316 to £25,363,669, comparing with £25,848,276 a year ago, the proportion being raised to as much as 54.45 p.c. as against 52.67 p.c. In these circumstances it is not surprising that discounts have again been weak, though many voices are raised to warn the market that with the obscure outlook and prospective heavy gold demands, particularly now on Indian account, rates must not be allowed to sag. At the same time it must be confessed quite frankly that with cosmopolitan competition for a rather limited number of bills it is much easier to talk about keeping rates up than actually to do it.

Chat about Canadians.

In the Canadian market some interest has been created by a statement reported to have been made by Sir Wilfrid Laurier, that the section of the Grand Trunk Pacific line from Winnipeg to Lake Superior Junction has been completed. We were under the impression from the speeches made at the recent meeting of the company that this was not the case. An interview with the Grand Trunk secretary has now elicited the statement that the rails are laid and that one train has been run through, but that the line will really not be ready for traffic until next year.

An issue is being made by the Atlantic, Quebec & Western Railway Company, of 1,750 5 p.c. first mortgage debenture bonds of £100 each at the price of £98 per bond, these forming the balance of an issue restricted to £525,700. It is stated in the prospectus, that the company is entitled to subsidies in respect of its Gaspé or coast section which is expected to be open for traffic next year, aggregating \$902,800, of which the balance not yet received, \$746,138, will be paid over on its receipt from the Government to the Trustees for the bond holders, and be applicable towards payment of interest on the bonds now issued to the 31st December, 1915.

We heard a good deal of Gaspé when the "All Red Route" scheme became a matter of common talk some months ago, and according to this prospectus, the port "should become a base for the new Canadian Navy" and "It is confidently anticipated that Gaspé Harbour will become a port for fast mail, passenger and goods traffic." Apropos, it has just been announced that the Government have decided to grant £135,000 towards an additional piece of railway which it is proposed to construct from a town in Sligo to Blacksod

Bay on the west coast of Ireland. Your readers will be familiar with the name of this remote harbour on the wild Irish coast, as it has been much talked about in connection with the "All Red Route Scheme." The railway which is to be built for fast traffic will bring Blacksod within 14 hours of London, if the scheme for a train ferry across the narrowest part of St. George's channel is carried out, and thence it is 3½ days to Halifax.

Canadian Northern's Steamship Service.

Continuing on matters of transport, shipping circles here are talking of a rumour that the Canadian Northern are to start a new Liverpool Canadian service with two fine ships built originally for a service which was a dismal failure between Marseilles and Egypt. The secretary of the company here neither confirms nor denies the rumour, but adds that no negotiations for the acquisition of the boats are being carried on from the London office. Shipping men are inclined to think there is something in it.

Insurance Items.

The North British and Mercantile Insurance Company, whose name is now known the world over, is just celebrating its centenary. Formed in Edinburgh, making a special appeal to Scottish national feeling and "Supported by the Scottish nobility and landed gentry" it has steadily grown, absorbing many competitors, until at the present time it has funds of over 19 millions and an annual income of £4,261,536. Its payments for fire waste total over 32 millions, for life policies nearly 21 millions and in annuities over 5½ millions. Altogether a record of which those connected with the company may be proud.

The Law Union and Rock Insurance Company has just been registered, this being the name by which the amalgamated Law Union and Crown and Rock offices will, in future, be known. The new company has a capital of £2,075,000. The Rock, which dates from 1806, had accumulated funds of £3,421,454, but did not transact of recent years a great deal of new business in its life department with which it was mainly concerned. Moreover it had incurred rather heavy losses during the last ten years in connection with an accident department which it opened ten years ago, losses and expenses being in the proportion of 119 p.c. to premiums received. This experience of losses on accidents, is, as has previously been remarked in these letters, a common one here. The Law Union & Crown has an omnibus business, its funds being well over 5 millions. METRO.

WINNIPEG BANK CLEARINGS for the month of November were \$116,560,351, as against \$86,080,626 for the corresponding month of last year and \$66,713,434 for the previous year.

TORONTO BANK CLEARINGS for November made a new high-record, being \$141,014,400 as against \$122,074,422 last year and \$126,591,210 in the banner year of 1906.

DOMINION CUSTOMS REVENUE for November was \$5,092,761—an increase of \$1,302,708 over last year.