

good, with an excess over liabilities of \$57,627.66, notwithstanding its compliance with the very severe yet right standard of reserve, 11. M. 4½ per cent., on outstanding life policies. Possibly it may be wiser for this Company to publish a more full report in future, as it will then demonstrate its ability to bear long continued disasters, while being prepared to profit by a recurrence of good fortune.

The Western has "plucked a feather with the eagle in his eyrie," and counts its spoils with gratulations in its new building, its assets having increased by \$90,857.56, although the Consolidated Bank stock is wholly written off, premium income increased by \$110,536.26, and interest account increased by \$6,332.40; the other side of the shield being represented by an increase of liabilities to the extent of \$96,764.50, a loss account increased by \$210,895.95, and an expense account increased by \$7,154.78; the statement of disbursements does not contain the \$60,000 paid for dividends during the past year. Had not its shareholders had the good sense to sustain its management through the vicissitudes of its early years, we would not now have the pleasure of congratulating them on so comfortable a dividend as 15 per cent.

The Dominion presents a statement whose form is the most satisfactory, as every possible information is contained in one or other of its schedules. It shows a surplus of receipts over expenditures amounting to \$15,050.68, an increase of assets to the extent of \$17,775.87, and of liabilities to the amount of \$28,374.54, a premium income increased by \$39,181.77, and an interest account increased by \$554.94.

The Royal Canadian submits a statement which must needs be very interesting from the fact that the Directors, finding their United States branches temporarily unprofitable without an immediate prospect of improvement, decided to discontinue them, consequently they had to demonstrate their right to the continued confidence of their Canadian patrons. Their career so far had shown the absurdity of the management of a fire insurance company by those wholly ignorant of the business, however "at home" they may be in their special callings, but now that the company has decided to be a home company, and has a manager well versed in Canadian business, more stable and satisfactory results are to be expected, as, after all its adventures, its statement presents a "surplus to policy holders" of \$433,105.01, with a profitable home busi-

ness and a directorate loyal to the company and always ready to promote or protect its interests. It was natural that some feeling should be exhibited at the meeting, and that the mollifying influence of a dividend should compensate the shareholders for their disappointment with reference to their United States business, however justifiable or otherwise its declaration may have been. It is to be hoped that the two items of assets, very large of their class, viz., bills receivable, \$29,878.53, and agents balances and sundry debtors \$52,018.45, will be realized without delay, being such as are subject to contingencies.

The Directors of the National met their shareholders with a proposition for the re-insurance of their current risks (which has since been effected in the Sovereign) and a liquidation of the affairs of the company. Since neither the shareholders nor the directors, with few exceptions, ever exerted any influence in its favor, but increased its expenses by their actions, this was the only possible fate of the company unless the conservative selection of risks had met with years different from 1879, when the best risks made the worst record; and even then the expenses in connection with its stock list would have made success very uncertain.

The Canada Fire and Marine makes a very complete report, showing an increase of \$31,000 in premium income as evidence of energy and popularity, its increase in income being over \$40,000, the reverse being an increase in unearned premiums of \$19,000 and of losses paid \$21,000. The return premiums and reinsurances which should be a deduction from the income are included in the agency accounts. The amount of expenses cannot therefore be compared.

The Merchants Marine greets its shareholders with a five per cent. dividend; increased assets to the amount of \$12,405.29; a premium income decreased to the extent of \$17,000; an interest, &c., income increased \$1,036.41; a loss account decreased \$35,000; an expense account increased by \$1,000, and by deduction and allowances on open accounts of \$2,175.76. The statement of liabilities is not made up as an insurance company's statement should be, as it omits unearned premiums, which in the President's address are stated to be \$14,187.15, and outstanding losses, which are not elsewhere mentioned in the report—we trust none exist, but, even so, that gratifying fact should be stated. The absolute necessity of full and true statements is shown by the President's address, in which we read that "the losses

paid for business taken in 1879 were \$26,796.14," whereas the Government report for 1878 states "total liabilities, excluding capital stock in all countries, \$19,595.35, a discrepancy which should give the Directors pause before the payment of a dividend, the more especially as five-twelfths of the company's assets are subject to contingencies, and the etceteras of the income account may include \$1,800 appreciation in valuation of Harbor Bonds.

#### THE DOMINION NOTE ISSUE.

Although it is premature to discuss the subject of an increased issue of Dominion notes, there are some points which ought to be kept in view. The Monetary Times has fallen into an error in stating the present limit at ten millions of dollars, it being really twelve, so that the bound is only eight millions instead of ten. That we admit is a startling amount; but it must be borne in mind that in taking power to issue to that extent, the Finance Minister does not promise that he will do so. He will, it may be presumed, be guided by circumstances. He contemplates preserving the convertibility of the Dominion notes, and as a necessary consequence he can only increase the amount by curtailing the bank issues, and that he can hardly do this year, unless by putting a heavy tax on the notes of certain denominations. It must be apparent that the Government contemplate an increased circulation of Dominion notes, and as too great a curtailment of the present issues would be injurious to the commercial community, it would be wise in the banks to meet the Government and consent to a moderate curtailment.

#### THE BOUNDARY QUESTION.

(Concluded.)

##### THE DE REINHARD CASE.

In the year 1818 the question came incidentally before the Criminal Court of Quebec, and we would by no means undervalue the decision given by Chief Justice Sewell and his colleagues in favor of the due north line. We have, however, to consider some points which materially detract from the weight of that decision. The question before the Court was one of jurisdiction. A crime had been committed at a place called Dalles, in the vicinity of the Lake of the Woods, and the question was as to whether Dalles was in the Province of Upper Canada or in the territory west of it, in which latter case the jurisdiction would have been with the Que-