

"The interest during construction is payable out of capital, and at the close of the construction period all that interest is added to the capital sum, and thereupon the Grand Trunk Pacific pays us a rental based upon the total sum including the interest."

This passage closed the main financial section of the Budget speech. The Finance Minister then announced that an arrangement had been made to have American silver collected by our banks and sent back to the States.

In regard to this, Mr. B. E. Walker, general manager of the Canadian Bank of Commerce, said:

"We want all the United States money spent in Canada possible. We want to encourage Americans to spend money here, but we want also some method of making this money circulate."

He did not think the banks would be recouped for their expenses in this matter, but they would gladly co-operate, as the general effect would be beneficial. There is about \$500,000 to \$900,000 of American silver in Canada, which will be gradually replaced by Canadian silver, though there will continue to be an influx of foreign coins especially during the tourist season and in border districts.

The tariff is to be thoroughly investigated by a commission made up of members of the Government who will hold sittings in all the principal cities and centres of industry.

The present tariff is to be amended by the following changes, rolled oats, a duty of 60 cents per cwt.; while lead duty increased from 5 to 3 per cent.; cement, a protective duty; South African wines, a duty of 25 per cent. Other changes related to settlers effects, beet sugar and mining, machinery, and molasses. The general effect of these alterations being to protect native productions from outside competition.

The Hon. Mr. Foster, ex-Finance Minister, delivered a clever political speech in criticism of the Budget, after which the House of Commons took the necessary steps to give effect to the Budget proposals.

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**AUTOMOBILE HUMOUR.**—A gay automobile party so frightened a farmer's horse a few miles down the river, that it ran into a shallow stream, taking the buggy along with it. The chauffeur and friend screamed with laughter at the farmer's dilemma, and refused to give him their help. While enjoying their laugh, the motor ran into a ditch. The tables were now turned, as they appealed to the farmer for help, who very decidedly told them to help themselves as he had done! The machine and riders were many hours in the ditch with several rural folk making sport of them.

### CALEDONIAN INSURANCE COMPANY.

THE OLDEST SCOTTISH INSURANCE OFFICE. A HISTORY OF 100 YEARS, 1805-1905.

The Caledonian Insurance Company has just celebrated its centenary. The year of its birth was the year of the battle of Trafalgar, which is to be commemorated in the old land with imposing ceremonies. It was a year of ever memorable historic events. In May, 1805, Napoleon was crowned King of Italy, just before that, England and Russia had entered into a treaty to resist Napoleon, and England was preparing to resist an invasion for which he had made immense preparations. Then came Trafalgar which effectually crushed the scheme for conquering Great Britain. The time was one of intense anxiety; the strain of taxation was most oppressive; discontent was rife; bread was very dear and very bad; yet, amid such gloom, there was spirit enough and capital enough to organize an insurance company in Edinburgh, with a capital stock of £150,000. The projector was a Mr. Alexander whose premises were burned the next day to his renewal premium, due to an English company, having been overlooked. He concluded that, it was not desirable for all Scottish premiums to go to London, so he undertook the organization of the Caledonian Insurance Company which commenced business on Whitmonday, 1805. The circular issued by the new company appealed to Scotch national sentiment. It read, "While English fire offices increase in number, and endeavour to extend their influence, the propriety of a Scotch Establishment of this nature cannot be doubted, and the inhabitants of Scotland will easily perceive the advantages that will accrue to them from having their business transacted nearer home, and from retaining annually and circulating in this country, a considerable sum of money, which would otherwise be remitted to distant places." A similar plea has often been heard since then in the United States, but we have never heard any objection to English, Scotch, or any outside company, paying enormous amounts for claims to property owners on this continent in excess of the premiums remitted to the old land!

The original terms were, "Common Insurances on Risks not exceeding £3,000 upon one subject, at an annual premium of 2 shillings per cent., hazardous, 3s., doubly hazardous, 5s. All household goods were classed as "Furniture," and for farming stock and utensils the annual premium was 2s 6d per cent.

The heraldic device now in use was adopted in 1851. It is the most comprehensive allegorical design adopted by any insurance company, it embraces the Phoenix, the Pelican, the Goddess of