Principal money advanced	100	
Add 1st year's interest	14	
	114	
Deduct 1st instalment	17	
	97	
Add 2nd year's interest	13	58
	110	58
Deduct 2nd instalment	17	
	93	58
Add 3rd year's interest	13	10
	106	68
Deduct 3rd instalment	17	
	89	68
Add 4th year's interest	12	55
	102	23
Deduct 4th instalment	17	
	85	23
Add 5th year's interest	11	93
	97	16
Deduct 5th instalment	17	
	80	16
Add 6th year's interest	11	22
	91	38
Deduct 6th instalment	17	
	74	38
Add 7th year's interest	10	41
	84	79
Deduct 7th instalment	17	
	67	79
Add 8th year's interest	9	49
	77	28
Deduct 8th instalment	17	
	60	28
Add 9th year's interest	8	43
	68	71
Deduct 9th instalment	17	
	51	71
Add 10th year's interest	7	23
	58	94
Deduct 10th instalment	17	
Principal still due	$41	94

So that instead of *one-half* of the principal and interest being repaid in one-half of the time, only two-fifths of the principal is then repaid, and at the completion of the term, the borrower will still have $41.94 of principal in hand, or more than two-fifths of the sum advanced, whereas, in reality, the loan is entirely paid off.

There is still another fallacy which should be noticed, one sometimes advanced by persons who know nothing about the terms upon which these Societies lend money, and who have not taken the trouble to examine their balance sheets and statements to ascertain in what their business consists. It is, that whatever rate a Building Society pays in dividends to its shareholders, it is quite evident that borrowers from them must pay that rate and three or four per cent more to cover losses and expenses of management.

There would be some truth in this did the Societies deal in nothing but the funds of their stockholders, but even then there are various sources of profit, such as the prepayment of accumulating shares, and the purchase of such shares at a discount off the realized profits, &c., &c., which, with careful management, might be turned to profitable account without adding to the burdens of borrowers. It is well known that Building Societies have become the chief Savings Banks of the Province, and (their power to receive money on deposit being limited to three-fourths of their paid up capital,) the money thus obtained at 4, 5 and 6 per cent being invested with their other funds, adds an important item to their annual profits.

The expenses of management and liability to loss in a prudently conducted Building Society, should be less than in almost any other kind of financial institution, and it is quite possible for such a Society to make from outside earnings more than enough to cover them, and thus be enabled to divide the full interest yielded by their mortgages and something more. It is alleged, however, that none of these Societies now declare dividends at quite so high a rate as their mortgages earn, excepting one or two which formerly lent at higher rates and have accumulated reserves, enabling them to pay dividends higher than the earnings of mortgages at their present rates would warrant.

Having endeavoured to dispose of some of the prevailing misconceptions on the subject, we shall defer our remarks till next issue.

BURLINGTON BAY CANAL.

The merchants of Hamilton ask the attention of Parliament to a matter which affects the prosperity of their city. The *Spectator* puts the case in the clearest light, and argues very forcibly behind a formidable array of facts and figures. The Burlington canal is merely a cut through a sand bank, without locks, and maintained at a trifling expense to the Government; yet the tolls exacted from vessels passing through it are as large, ton for ton, as on the St Lawrence canals, which cost so many millions, and six times as large as on the Rideau canal. The following comparative tables, compiled from official sources, show the injustice complained of.

	1865.	1866.	1867.
Tonnage.			
St. Lawrence.	$683,116	$753,114	$836,311
Rideau	321,141	397,036	470,242
Burlington	121,976	135,936	172,384
Tolls.			
St. Lawrence.	33,387	83,210	92,347
Rideau	8,870	6,205	7,538
Burlington	12,082	14,923	18,904
Deductions, Repairs, &c.			
St. Lawrence.	71,402	76,075	76,282
Rideau	27,806	28,423	31,837
Burlington	400	1,008	400
Per Centage Tolls to Tonnage.			
St. Lawrence.	5	11	11
Rideau	2¾	1¾	1½
Burlington	10	11	11
Profits.			
St. Lawrence.	11,985	7,135	16,065
Burlington	11,682	13,915	18,404

It is pointed out that the per centage for 1865 on the St. Lawrence canals should be 12 1-5 per cent., instead of 5 per cent., if the Trade Returns are to be relied on, rather than the Public Accounts. Thus for three years the St. Lawrence canals realized only a net excess of $35,185 of receipts over expenditure, while the inexpensive Burlington canal realized $44,001. It is claimed also that a large portion of the goods paying tolls on the Burlington canal, paid tolls on the St. Lawrence canals. The comparison between the Rideau and the Burlington canals is fair. The latter has by this time repaid its cost, while the former is a drag on the Treasury; the loss, exclusive of interest, being in three years $65,442.64. Yet tolls to the extent of eleven per cent. on the tonnage weight is paid on the latter, while on the former only about two per cent. is exacted. We think a strong case is made out, and on a proper representation of the facts being made in Parliament, a palpable injustice will doubtless be remedied.

TO CORRESPONDENTS.

"T. P. T." Belleville.—Your suggestion is good, and will be acted on.

"A. J." Hamilton.—We believe the Company you refer to perfectly sound, but you must act on your own discretion.

"T." London.—You must apply to a broker. We wish it to be distinctly understood that we do not advise on the purchase or sale of stocks.

"N. P. W." Parry Sound.—The articles referred to in your letter will be quoted in our Prices Current for the future.

Communications.

GALWAY MINE.

Editor Canadian Monetary Times:

SIR,—Below I give a copy of the report of an assay of a small sample of pyrites, taken about 4 feet from the surface, in the shaft now being opened by the Galway Mining Company, on their property in Galway. The shaft is being sunk for the purpose of obtaining *lead*, and the fact of gold and silver being found so near the surface, although in small quantity, will, I presume enhance the value of the property. The stock books of the Company are now before the public for subscription of the stock.

	Percentage.	oz.	dwt.	grs.	
Gold	0.0007	0	4	1	$4.03
Silver	0.0033	0	19	5	1.25
					$5.29

The assay was made by Dr. Girdwood, of Montreal; and Mr. C. Robb, mining engineer of Montreal, certifies that "this is a sample of pyrites from cross vein in tunnel of Galway mining company.

(Signed), C. ROBB.

Men are now at work putting down the shaft. As soon as the snow leaves the work will be pushed on vigorously.

I am informed the lead yields over 70 per cent., which is certainly a good indication of success,

Yours truly,

GALENA.

PETERBORO', 14th March, 1868.

LIFE INSURANCE.

To the Editor of the Canadian Monetary Times.

SIR,—I have read with considerable interest the various articles on Life Insurance, which have appeared in your columns, but was particularly struck with the article in your issue of Feb. 20th, in which you speak of the "Premium Note" system, and give some tables illustrative of its practical workings, when compared with the "All Cash" plan, at various rates of dividends in the same company.

Assuming that the *elimination of truth* is a paramount object with you in conducting your able and interesting journal, and that to accomplish this end your columns are open to views on both and all sides of any question in dispute, I beg leave to say a few words on the subject of the article referred to.

It is the opinion of the Hon. Elizur Wright that a company may at any time safely hold in premium notes an amount equal to the present value of its policies; and I think that every man will admit that it is a perfectly safe proceeding on the part of any company to make a loan on the policy of such a por-