

being kept going by the accession of new members. This process has its limits, and when the time comes in due course for the rotten spot to develop its natural mischief, there will come a collapse of some of these institutions, and considerable injury done to the members and to the cause of thrift. The Government should institute an enquiry into all organizations doing a friendly society business, which is that of assurance against sickness. These societies are under government supervision in England, and should be in this country. We speak by the book in saying that a very large amount of life assurance also is being done by these societies in a quiet way, unknown to any but the initiated, on terms that are utterly inadequate to secure a fulfillment of the contracts entered into, and which cannot possibly fail to inflict very great misery and injury upon the innocent survivors of the deluded policy holders.

The Baring Liquidation.

THE progress made in the liquidation of the Baring estate has proceeded so far favorably that a confident expectation is felt of the assets being realized for enough to cover liabilities. This is an event of almost as signal importance in the restoration of confidence as the collapse of that firm was in its disturbance. So long as so vast a mass of securities were being held by the guarantors, which it was known they were most anxious to realize, there existed a dread lest the pressure they were under would compel or induce them to put them on the market, a course that would have had a very disturbing effect. The magnitude of these assets may be judged by the amount held in May, 1891, being \$59,316,000, the indebtedness of the firm to the Bank of England being \$37,540,000. Since that date to end of August last, the assets have been reduced to \$15,747,000, and the debt to the bank brought down to \$12,045,000, a sum which now represents all the liabilities except \$365,000, no less than \$29,275,000 of debts having been liquidated since May, 1891. As the Bank of England is now practically the only creditor, we may be sure the final winding up of this colossal estate will not be so hurried as to put the money market in any jeopardy by securities being forced to a sale. The surplus of assets amounting to over 15 millions will be found to consist mainly of stocks and bonds that are of little value, amongst them being those of the Manchester Ship Canal, an enterprise that has turned out as disastrous as its promise was brilliant. We may remark here that the failure of that canal, which was especially designed to convey ocean vessels 40 miles nearer to the main points of consumption, to put cotton down, as it were, at the doors of the factories, shows how hopeless it would be to build a canal in Canada four or five times that length to carry freight further west than this port. If ocean vessels will not go from Liverpool to Manchester, how could they be expected to creep their way up from here to Toronto? The prospect of the Barings getting anything of value from their estate is gloomy. Their position is pitiable in one sense, but men who threw the financial affairs of

the world into confusion by such reckless operations as they went into are not entitled to much sympathy. The Baring liquidation will ever be a striking object lesson as to the wisdom of "nursing" an estate, as the failure will be a perpetual warning to bankers against "lock ups," and advances upon securities that cannot be liquidated when funds are needed without a serious disturbance of the money market.

A State Inquisition.

ONE of the most inquisitorial Acts ever passed was that of the Legislature of New York which forbids the delivery or transfer of any securities or property placed in charge of a Safe Deposit Company, at the death of the owner, without giving notice to the county treasurer, who, on receipt of such notice, may make an examination of all such securities, property and papers connected with them. This unprecedented power is given to an official in order to prevent any possible evasion of the inheritance tax which is imposed in New York State. It is well known that under the form of government which obtains in the United States, there are laws passed more arbitrary than any of those even by the despotic powers of Europe. A Safe Deposit vault is practically a part of a man's house; while leased by him it is his private property, as much so as the safe in his dwelling, he may keep there his most sacred family papers, with confidence that no eye but his own can ever invade that privacy. Yet, under this law a stranger, a State official, is empowered to ransack such papers; read personal correspondence; examine family records; and generally expose a man's most private affairs to the gaze of a public officer who, if he wills, may reveal them to the world. In consequence of this, there has been a transference of such documents to the vaults of companies in other parts of the country where no such inquisitorial outrages are allowed. Those who are liable to this scrutiny of private papers would do well to consider the prudence of putting them wholly outside such a risk, which they could do with absolute safety by entrusting them to a Canadian company. This is a free country; there is no Inquisition in Canada.

THE MAGNITUDE OF ACCIDENT INSURANCE.

Unquestionably if some insurance prophet had predicted twenty-five years ago, that at the close of 1893 there would be in force in the United States and Canada more than two billions and a half of casualty insurance, in its various forms, and that fourteen and a half million dollars would be collected for premiums by these companies during the single year 1893, his prediction would have been scouted almost universally as the vagaries of an airy dreamer. Yet such are the recorded results of the business, the greater part of which has been developed, not in twenty-five years, but in a quarter of that period. The Travelers of Hartford and the Accident Insurance Company of North America, of Montreal, are, we believe, the oldest, in point of continuous existence, of all the accident companies, the former being scarcely more than twenty-nine years old. The oldest accident company—the Travelers excepted—