

Banking business has been uniformly prosperous in the past half year, and the dividend announcements which have been made so far are very favourable. The comparatively high rates of loans and discounts are, of course, responsible for this state of affairs.

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On 'Change, home rails are dull, and mutual understandings are being talked of. In the foreign market, Spanish have risen upon support from Paris.

INSURANCE.

Whichever way you turn, you get nothing but the Workmen's Compensation Act of 1897. Such a universal cry of mingled execration, lamentation and damnation has seldom been heard, and a full recital of its varying tones would take volumes. Already litigation is starting, and instances like that mentioned in the financial part of this letter making their appearance. Many of the large industrial concerns have by this time taken out insurances largely at the reduced rates of the non-tariff offices, and it is the myriad of small employers who will repay the careful and painstaking insurance agent. This should be a jubilee year for agents or, as I believe, you designate them, solicitors. One feature of interest is the "catastrophe" insurance undertaken, jointly by the Sun Life, Guardian, Law Union and Crown and the Rock and which provides against those terrible risks which may mature at any moment in collieries, mines, quarries, etc. The four offices pooling this specially insured risk are the principal ones doing liability business, and their combined capital is nearly fourteen million dollars. This offers a splendid guarantee for the security of the cover, and then on the premium side there are many wisely chosen features. Premiums are placed at a certain reasonable figure, and then to prevent anything like an overcharge the profits of the department after paying claims and expenses of settlement are divided up as follows:—Management, 15 per cent; catastrophe fund, 5 per cent.; profit, 10 per cent.; and balance returned to policy-holding employers. This method of profit-sharing, coupled with the splendid stability born of united funds, should enable these offices to compete very successfully with the cut-price concerns.

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Notwithstanding profit-sharing and low rates and the other additional advantages offered to employers, they are in some cases proving very different creatures. Where they are not forming trade mutual liability associations to carry their own risks, they are insuring for just one year in order that from the second year, they may have a statistical basis to work upon in mutual associations.

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There is one statement going round, the press in connection with the coming into operation of the Workmen's Compensation Act of 1897, which wants nailing down. Now, it is true that from July 1, in many collieries, etc., any very old workmen, men more liable to accidents than their more agile juniors, are being dismissed, because they make the risk to the employer greater. But we are asked to believe that the insurance companies are demanding the dismissal of these men. This is nonsense. Is it not more true that if the employer finds he can secure a lower premium when he no longer employs these old men, he himself will do the dismissing?

ON THE FLOOR OF THE STOCK EXCHANGE.

Wednesday, p.m., 27th July, 1898.

The market has shown some activity during the past week, in spite of holidays, absentees and hot weather.

The ripple in Canadian Pacific has died away once more, and a feeling of disappointment exists both here and in London. The Grand Trunk is not now a very great factor in the rate war, the two principal contestants being the Canadian Pacific and the Northern Pacific, and it is with the presidents of those two roads that the responsibility lies. There is a report that the European stockholders who own the far larger part of these properties are about to make strong representations in favour of peace.

Meanwhile, the struggle is hindering business.

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Commercial Cable has shown some strength, and advanced to 181. This stock has become scarce, and may easily go up to 185.

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Montreal Street Railway continues to be the popular fancy. The present price, 274, seems quite high enough on any careful valuation, and we expect to see a good deal of realizing by speculative holders.

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Toronto Street Railway is dull at about 97 1/2. The earnings have not increased at a ratio comparable with that of our own city company, and there is still a great deal of the stock held in speculative hands.

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Canadian North West Land Co. is firmer at slightly improved quotations. Although it does not pay dividends it is really an investment security, and promises a very handsome return to those who do not require immediate revenue.

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Mining Stocks have been quiet. War Eagle reacted to 263 on reports of a very encouraging development of the lode. We expect to see a large business done in the good mining stocks as the public becomes well-informed on the subject.

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Bank shares continue to show a slow but steady advance. They are now entirely removed from speculation as the shareholder lists show. Timid investors continue to prefer them to more lucrative but less familiar employment for their money.

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On the whole, the prospect appears to be very bright for trade throughout the Dominion, and indeed but for the uncertainties of foreign politics we should feel that a very good time was near at hand.

We advise our speculative readers to get on the bull side of the market; but the investor must resign himself to a careful scrutiny of values on the basis of lower returns for his money.