

experience, and has never demonstrated his ability as a business man, and consequently I conclude that the great railroad managers did not put him on the directorate of their companies for either of these reasons, and the inference is that he has been put on these boards for the reason that he was the financial head of a great insurance corporation, whose assets were so large and whose ready money was always available for the purchase of securities which these great corporations are largely in the market to sell."

A pointed indictment truly!

"Why," is asked, "why were these officers during a long series of years permitted again and again to violate their obligations, and perpetrate so many wrongs against the interests of the society for their own profit?"

In conclusion, the superintendent expresses in this report his opinion that the only thing to restore confidence in the society will be the elimination of stock control, and of the Wall Street influence. No superficial measures will correct the existing evils. A cancer cannot be cured by treating the symptoms. Complete mutualization with the elimination of the stock, to be paid for at a price only commensurate with its dividends, is the only sure measure of relief.

Latest reports from New York are to the effect that Mr. J. W. Alexander, through his son, has forwarded to Mr. Paul Morton, the new chairman of the society, \$60,000, the balance of his syndicate profits, with interest.



#### ACTION AGAINST THE MUTUAL RESERVE.

An attempt was made recently in the United States Circuit Court to compel the Mutual Reserve Life Association to produce its books and records covering substantially the entire quarter of a century of its existence. Under the advice of counsel the Mutual Reserve refused to comply with this omnibus subpoena, and thereupon a motion was made to punish the officer upon whom it had been served for such failure. The motion was denied in an emphatic opinion by Judge Lacombe as follows: "This court did, as counsel for complainant suggests, heretofore lay down the rule that a subpoena duces tecum should be first obeyed by bringing the documents into court, and that thereupon the court would inspect them to see if they were relevant or material, and such as might be offered in evidence. (*Edison Electric Light Co. v. U.S. Electric Lighting Co.*, 44 F.R. 294, 45 F.F. 55.) That decision had reference, of course, to the concrete case then before the court; it was not expected that any such grotesque subpoena duces tecum as we have here would ever be taken out, calling for apparently a cart load of books and papers, nearly all of which, so far as their description indicates, have nothing whatever to do with the issues raised by the pleadings. The motion to punish for failure to obey this omnibus subpoena is denied. If in this long enumeration there are a few items, which possibly might have some bearing on the controversy, complainant may take out new and separate subpoenas for them; the court will then look into the merits of each separate application to produce. To undertake a recitation of this mass of irrelevant material would be a useless waste of time. This decision on the subpoena as a whole will not be taken as an adjudication against any individual item; each will be considered when presented in some convenient shape, but from a cursory examination of the list called for it would seem that as to most of them complainant would be wasting his time in making further effort to bring them into a controversy with which they have nothing to do."



Mr. Chas. B. Smithett, who for many years past has been the popular and aggressive general agent of the Confederation Life Assurance Co., Toronto, has had his title changed, and henceforth will be known as the special representative of that company. Mr. Smithett's friends are many, and they will, we are sure, be glad to hear of this important step forward.

#### BANKING AND FINANCIAL.

On July 1st there will be payable in Wall Street, disbursements for dividend and interest payments of public railroads and industrial corporations, the approximate sum of \$140,300,000. On January 1st last the sum payable was \$136,583,450.

The Canadian Bank of Commerce has opened up two new branches, one at Louise Bridge, Winnipeg, and the other at Saskatoon, Saskatchewan. This makes the total number of branches of this institution 119, of which 113 are in Canada.

The Railway Committee has reported the bill confirming the financial arrangements made by the Grand Trunk Pacific Railway Company for the construction of the western division and the Lake Superior branch of the National Transcontinental Railway. The aggregate of two 4 per cent. mortgages, guaranteed by the Grand Trunk Railway, is \$28,500,000. The Government guarantee three-fourths of the cost of the western section, and are secured by first mortgage, comprising schedule A of the bill. The G.T.R. guarantee the other fourth of the cost and are secured by second mortgage. The first mortgage is at 3 per cent., and the Royal Trust Company are named as trustees. For the purposes of convenience, and to meet the desires of capitalists furnishing the funds for the western division of the line, that portion between Winnipeg and the coast, is divided into the "mountain" and "prairie" sections, respectively, and the bond issue for these sections is for £2,050,000 and £2,100,000, respectively. The rate of interest is 4 per cent., and the National Trust Company are trustees.

The bill to incorporate the proposed Monarch Bank of Canada came up for discussion by the Banking and Commerce Committee of the Dominion Parliament on the 23rd June, but it met with considerable opposition. The incorporators named are: Late Hon. James Cochrane, Thomas H. Graham, D. W. Livingstone, Edward J. Lennox, Thomas M. Ostrom, A. H. Perfect and Forbes F. Godfrey. Hon. Mr. Fielding said that if the promoters would say they had the resources to start that bank, and would not ask for an extension, he would support the bill. "I do not think," he added, "that people should start banks now unless they have made their arrangements accordingly." Another speaker said there had been eight or nine new banks incorporated in the last two years, and only one had been organized. The capital stock had not been available. If it was impossible for other banks to raise a capital of one or two millions, how could this one raise ten millions? It was a charter to hang up before the people, and there was not the slightest probability of the bank being organized with a charter of that kind. It should, he thought, be reduced to \$2,000,000 at any rate.



#### LIFE AND ACCIDENT INSURANCE.

The International Association of Accident Insurance Underwriters will hold their convention at Muskoka Lake on July 18th to 21st. It will be both a pleasure and a business trip, as not only has an interesting programme of papers for discussion been prepared, but several trips in the beautiful lake region have been arranged.

The inspectors, general agents and agents of the Standard Life Assurance Company in the Province of Ontario, through the chief agent of the company, Mr. Hunter, of Toronto, presented a beautiful cut-glass loving cup to Mr. G. H. Allen, chief inspector of the company, the occasion being Mr. Allen's retirement from the company's service, after a term of many years, in order to assume the position of manager for the Province of Quebec of the Mutual Life Assurance Company of Canada.

One policyholder intimates that instead of bothering their heads over total abstainers, the insurance companies would do a great thing for themselves and their insured by having the latter examined every year, free, by the company's physicians. An ounce of prevention. The ordinary man won't call a doctor till he has something serious the matter with him, or thinks he has.

Still another of the fraternal societies is seeing which way sanity lies. The Grand Lodge of the Canadian Odd Fellows, by an almost unanimous vote, decided, the other day, to adopt the