

ments with foreign states as may seem good to its responsible government, but I say that if this theory be translated into practice it must end in the practical dissolution of the British Empire considered as a living political entity. Neither Australia, New Zealand, nor South Africa could enter into separate commercial relations with foreign powers without modifying in some way or other its status in the British Empire, and its relations both to the Motherland and to its fellow Dominions.

There is Commercial Strife.

"The Canadian Premier well remarked during a historic debate at Ottawa, if England is at war with any State Canada is at war. It may be argued that a state of war is an abnormal and happily rare condition, but peace has its battles no less than war, though they are waged in a different way. There is commercial strife, the struggling of one nation to secure as much as it can of the world's trade, in many cases at the expense of some other nation. It is all very well for the defenders of the reciprocity agreement to maintain that the British preference is not to be diminished by reason of this new agreement with the United States. It is difficult to see how such a pledge can be carried out, but quite apart from any loss that may ensue to British trade with Canada this reciprocity agreement seems most regrettable from the breach it makes in the homogeneity of the Empire.

"Another important consideration in regard to this proposed agreement is that in the favored-nation treaties by which Canada is bound, the destruction of a great part of the advantage through preference which we have held in that market will bring about keener competition for Canadian trade, not only with the United States but with about a dozen other countries. This agreement, for the first time in our history, will also establish a tariff in the United States which differentiates against the introduction of goods made in the United Kingdom and other parts of the Empire as compared with those made in Canada.

Something Wrong With the Constitution!

"When foreign Powers make commercial treaties which may effect British interest the Foreign Office is kept advised by the Embassy concerned, and the home government is at liberty to make such representations as the case may call for. But it does not appear that the British Embassy at Washington has any power whatever to make representations in United Kingdom or Empire interests in such a case as this to either one party or the other. Surely there must be something wrong with the Constitution of the British Empire when such a contingency is possible. These negotiations, it must be remembered, were handed over by our Ambassador to be dealt with by Canada over twelve months ago, and it has never occurred to the British Government to guard the enormous interests of trade and finance to which we are committed in the Dominion. Apart from some £450,000,000 sterling of capital invested in Canada the volume of our trade with the Dominion, which will be affected by this reciprocity agreement, amounts to some £27,000,000 sterling per annum."

VALUE OF THE FIRE MARSHAL.

A dozen or more years ago, the State of Maine passed a law compelling investigation into the cause of every fire that occurred in the State. The effect has been, as was also the case in Ohio, to expose at first the existence of incendiary gangs, and to secure the arrest and punishment of many incendiaries. Still more, it has driven many fire-bugs out of the State and reduced the fire waste greatly.

From a report for year 1910, issued by the insurance department of Maine, we gather that the total number of fires in that year was 2,079, of which one-eighth were total losses, and the damage done by them is estimated at \$2,437,128. In the year 1895-6, when the law was first applied, the percentage of fires of unknown origin was 32.54 and the percentage of incendiary fires 8.54. By the year 1900, so well and so consistently had the department pursued its enquiries that the percentage of fires, of which the causes were unknown, was reduced to 19.37 and of incendiary fires to 1.85. In the next ten years the average has been 20 per cent. unknown. But the incendiary figure has gone down to one-half of one per cent. and the total losses by fire have been very greatly diminished. Here is an object-lesson for Ontario and Quebec, and other parts of Canada.

The principal of many causes of fires in Maine last year was defective chimneys and flues, the number of cases being 262. Next to this came lightning stroke, which caused 227 fires. Children playing with matches, and matches in other hands than children's were found to have started 145 fires; lamps, lanterns, chimneys and smoke stacks, 153. Smokers were responsible for the setting of 69 fires, explosion of lamps and lanterns for nearly as many.

SOVEREIGN BANK ASSETS

May Be Taken Over by a New Company — Alaska Northern Railway is an Important Factor.

A new company is being formed to purchase the assets of the Sovereign Bank of Canada, which suspended four years ago. The shareholders of the new company are to be the shareholders of the old institution. If the proposed deal is not consummated, the bank will probably be liquidated by the courts, and the double liability of shareholders will be called.

On December 31, 1907, the Sovereign Bank's liabilities were about \$16,174,000. Other banks loaned the directors money to prevent it going into liquidation, and since that time the liabilities have been reduced by over \$12,000,000 and are to-day said to be less than \$4,000,000.

The assets of the Sovereign are said to be worth \$5,500,000, but much of this is not now realizable.

Will Absorb Assets.

The new company will take over the assets of the bank. It will have a capital of \$3,000,000—an amount equal to the capital of the old bank and to the amount the double liability call would bring in.

It is proposed to issue about \$300,000 of preferred shares of the new company, and shareholders of the bank will have an opportunity to buy the preferred shares at par, \$100 a share. So far as it will go, this money will be used to pay off the bank's creditors. Bonds will also be issued, it is understood, and creditors will be paid partly in cash and partly in bonds.

The following are the Sovereign Bank figures as they appeared in the February Bank Statement:—

Capital authorized	\$3,000,000
Capital paid up	3,000,000
Deposits on demand	10,334
Deposits after notice	75,631
Loans from other banks, etc.	3,861,398
Railway and other bond debentures	440,893
Current loans in Canada	712,532
Overdue debts	3,981,608
Total liabilities	4,123,375
Total assets	5,635,615

Do Not Want Double Liability.

The last report of the directors of the Sovereign Bank stated:—

"You will understand that, while the bank still has assets, which, if worked, are, in the opinion of the directors, sufficient to pay its debts in full without any recourse on the double liability, nevertheless, if payment of our debts is demanded before we have realized on our assets, a call may be made on the double liability and our debts paid off in that way, the remaining assets, if any, being then returned to be liquidated by them for their own benefit.

"It is the duty of the directors to do everything possible to ensure that no call shall be made on the double liability until it becomes evident that the call will eventually be necessary, or that the returns from our assets will be so long delayed that we cannot in reason ask the banks to wait any longer."

Alaska Northern Railway.

The present plan appears to be a method for retaining control of the Alaska Northern (formerly Alaska Central) which the Sovereign Bank practically owns. The directors have considerable faith in the Alaska Northern Railway, an independent road, which was incorporated October 28, 1909, under the laws of the State of Washington, as successor to the Alaska Central Railway, sold under foreclosure October 11, 1909. It runs from Seward, on the south coast of Alaska, northerly to near Fairbanks on the Tanana River, 450 miles, with a branch to the Malanuska coal fields, a total of 496 miles. Of this mileage, 71 miles, from Deward north, were completed for operation September 1, 1907, together with 5 miles of sidings. The railroad has the standard gauge. The rolling stock consists of 4 locomotives and 40 cars.

The company's authorized capital is \$30,000,000, with \$5,000,000 outstanding; par value, \$100. There are no bonds.

The officers and directors are as follows: O. G. Laberee, president, Seattle, Wash.; R. D. Miller, vice-president, Spokane, Wash.; J. A. Haigh, secretary, Seattle, Wash.; F. G. Jemmett, treasurer, Toronto; A. H. Wheatley, auditor, Seward, Alaska; directors: O. G. Laberee, F. W. Low, Seattle, Wash.; George Turner, R. D. Miller, Spokane, Wash.; E. H. Morrison, Fairfield, Wash. The company's general office is at Seattle, Wash.

THIS LIFE COMPANY WANTS AN ACTUARY.

The British Columbia Life Assurance Company, of Vancouver, has received its license to commence business. The company has sold 9,700 shares of its capital stock and has started to canvass for business. It will conduct operations in the four Western provinces, paying most attention to British Columbia.

The company desires the services of an actuary.