

not readily combustible, though one, gunpowder, is very destructive when fired. Hardware goods, though non-inflammable, are liable to suffer serious damage from water. More than ordinary pains, therefore, should be taken to protect such stores from fire, as their contents are so exposed to serious damage even when a small fire breaks out.

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QUEBEC TAX ON SECURITIES.—Some confusion has been caused in connection with the transfers of stocks, but the Hon. Mr. McCorkill, provincial treasurer, is doing his best to explain what the law requires, and to smooth matters over as far as lays in his power.

A large number seem of the opinion that the tax is an indirect one, and *ultra vires* of the province. It certainly discriminates against Montreal, and will be found later on to hamper the stock exchange business very seriously. In fact, it may make it impossible to transact business and is certain to lead to endless confusion. It may also have the effect of Montreal instead of being the chief centre of monetary transactions, taking a second or third place.

It is liable to prevent the incorporation of new financial institutions in this city, and, thereby, divert a very large and profitable business elsewhere.

On low priced stocks, the tax means a very large percentage. Take for instance a stock selling at 10 p.c., a tax of 2c. on the \$100 par value is serious. This city and this province requires all the capital that can be possibly brought into it, and leaving every other consideration aside, it is obviously bad policy on the part of the Provincial Legislature to impose a tax which will obstruct the inflow of capital and thus defeat the object in view.

Why should the province discriminate against brokers, and against purely financial operations?

Why should the brokers endeavour to make the tax legal and direct by paying it themselves? They will regret it some day.

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FEDERAL LIFE ASSURANCE COMPANY.—We have seen the plans of a very handsome and solid building which is about to be erected by the Federal Life Assurance Company, at Hamilton. Messrs. Finley & Spence, of this city, who erected the Guardian building, and several other handsome edifices, have been selected as architects.

The Federal Life under the management of Mr. David Dexter, is making excellent progress, and we are glad to know that it is putting up a building as its home in Hamilton, which will be worthy of so prosperous an institution.

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THE INDEMNITY EXTRAVAGANCE.—Were it not that members of both parties in the Senate and House of Commons are equally responsible for the extraordinary increase made last session in the sessional indemnity payable to members of both houses,

there would be such an outcry against this as would make the whole country resound with indignant protests. The additional expenditures voted in the dying hours of last session, when members were impatient to go away, respecting which no enquiries were made, and no discussion entered upon, were as follows:

214 Members each \$100 extra.....	\$ 214,000
81 Senators " "	81,000
Additional Indemnities.....	\$ 295,000
Increased salary of Premier.....	4,000
Salary to leader of Opposition, (new).....	7,000
Pensions of \$3,500 each to 11 ex-Ministers.....	38,500
Additional annual expenditure.....	\$ 344,500

The annual expenditure on account of legislation will now be:

214 Members at \$2,500 each.....	\$535,000
81 Senators at \$2,500 each.....	202,000
Salary of the Premier.....	12,000
Salary of 13 Ministers, \$7,000 each.....	91,000
Salary of Leader of Opposition.....	7,000
11 Pensions of \$3,500 each to Ex-Ministers.....	38,500
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	\$886,000

That is an enormous sum for a young country to pay yearly to those who are in charge of its legislative machinery.

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NEW BANKS.—The two new banks, Northern and Monarch, are now receiving subscriptions towards their capital stock. The Pacific Bank has been granted another year to complete its organization.

The promoters of these new banks have their hopes of acquiring a paying business upon the prospects of future developments in the trade and resources of the Dominion. At present the existing banks are quite adequate for the business requirements of Canada. That a very large increase will be made to those requirements in a few years is confidently anticipated. Whether such increase will be enough to provide business for several new banks is a question time only can solve.

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EFFECT OF CAPITAL GOING ABROAD.—If the drain continues of Canadian capital to foreign countries there will be much wider opportunities for new banks than would ordinarily arise from the increase of trade, for this drain principally affects the older and stronger banks whose resources will have to be supplemented by the capital and deposits of new institutions if they continue, on any large scale, to give financial support to foreign enterprises.

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RUSSIA AND JAPAN—PEACE NEGOTIATIONS.—The respective plenipotentiaries of Russia and Japan are understood to have entered upon their conference on the results of which depends many thousands of lives and hundreds of millions of dollars. The precautions adopted under the supervision of the American Government to ensure the absolute privacy of these officials and of their suites are so thorough and so strict as to render it almost impos-