

all the banks must have sustained heavy losses.

We feel assured that Sir William Howland has no personal responsibility for the losses of the Ontario Bank; indeed the accusation against him is, that he adopted for a time the more favorable opinion held by the former manager of the value of the assets. Had he taken the very serious responsibility of proclaiming himself and his co-directors of a different opinion from the General Manager he might certainly have prevented some recent investors or speculators, as the case may be, from purchasing the stock, but on the other hand he would in all probability have caused a run on the bank, and inflicted serious injury on the existing shareholders. He took an early opportunity of effecting a change of management, and of getting a fresh valuation of the assets by one who had no interest in over-estimating them. He is himself interested in the prosperity of the bank, as is Colonel Gzowski, and both gentlemen are of the highest character and wholly disinterested. What we apprehend is that the bitter quarrel which has led to a complete antagonism among shareholders whose interests are identical will lead to a still more serious depression in the stock, and probably in the property of the bank. We shall be truly rejoiced if our apprehensions should prove unfounded, but we cannot but anticipate that where such a contest has taken place, the defeated party will cease to use its endeavors to sustain the bank. We had written thus far before learning the result of the meeting on Tuesday, at which the two parties came into direct collision.

The result of the vote for the election of new directors in place of the retiring board was that the principal members of the old board, including Sir William Howland and Colonel Gzowski, were re-elected. There were over 63,000 votes polled in all, and Mr. Glass and Mr. Vidal are said to have been the lowest on their own ticket. Of course their non-residence in Toronto and connection with the English Loan Company would be against them. We believe that the success of the opposition would have been most detrimental to the interests of the Bank, but as it is very important that the shareholders should act in concert, we should have been glad if the dispute could have been compromised by the admission to the Board of one or two gentlemen in the confidence of the dissatisfied shareholders. On the main point now pending, we are convinced that the wisest course to adopt will be that recommended by the General Manager, which is, to reduce the capital by 50 per

cent. The actual value of the stock depends not on the nominal value of the shares, but on the actual value of the assets, and this latter will not be affected by the former. It will be wise for the shareholders to bury the past in oblivion and work harmoniously for their common benefit. We may mention that Messrs. Magor and Massey were elected as new members of the Board of Directors on the Howland ticket, and this change may be intended as a conciliatory measure.

GLOBE MUTUAL ESTATE.

There is a feature in the New York law relative to the administration of insolvent Life Insurance Companies that we think highly commendable, viz., that up to the issuance of the final order to distribute the assets, all claims by death are allowed to rank for the face of the policy. In the case of the Globe Mutual, an extension of five or six months—reaching, we think, to the 18th February next—for filing claims was made, and we understand that death claims are included in that extension. If that be so, then every policy whose holder may die before that date will rank upon the estate for the full amount of the assurance. Suppose a policy for \$5,000, the reserves on which might be \$200: if living at the time of settlement the latter amount would be the extent of his claim, but should he die before the 18th February next the claim would be for \$5,000. That provision we think highly fair and reasonable. By the New York Court that right has been accorded to every American citizen insured in the Globe; and we think that in common fairness it ought to be enjoyed by policy holders who are not American citizens, the interest being a common one, and the pretension set up being that it is a Mutual Company; but we find that Canadians are excluded from that privilege, which event was brought about in this wise:

In January, 1880, the Canadian Receiver, Mr. W. C. Wells, by his attorney sought and obtained from our courts an order giving him possession of a certain portion of the Government Deposit, and expressly forbidding the right of mortuary claims thereafter to rank. Had he paid his dividend sheet that might have been fair enough, but even now, after the lapse of two years, those moneys are unpaid, and all the claims by death during these years are by his act excluded from ranking on the Canadian fund. That was a grave responsibility for any one to assume. Widows and orphans are not only deprived for years of the reserves due them, but also of the right so generously

accorded to sister widows in the United States of claiming for the full amount of the policy. This is protection with a vengeance. What will the champions of our National Policy think of it? and what security can our people who are insured in American Companies expect if our laws can be tortured to sanction such conduct.

We understand that there will be a large fund here, after paying the present dividend sheet. We wonder what application is intended to be made of it. Most assuredly the onus rests upon the assignee here to make strenuous efforts to have it used towards the settlement of those disfranchised death claims, the importance of which we feel confident he fully comprehends. Why should the assured in Canada not enjoy every benefit accorded to the American assured?

We hear that the administration of the estate here has not given very general satisfaction, and that in consequence efforts are on foot by printed circular to have the subject engage the attention of Parliament early next session. We confess that it has always been a mystery to us why the Government allowed the deposit to leave their custody without exacting the necessary guarantees for the due execution of the trust.

The pretension that the Company was a Mutual Association is before our Courts, but we think the claim a preposterous one, and do not for an instant doubt what the decision will be.

FINANCE WEST OF THE ATLANTIC.

The January number of *Blackwood's Magazine* contains an interesting article under the above title written by one who claims to have studied the subject on the spot, and who is evidently well informed. He believes that there is not the least ground for anticipating any important change in the financial policy of the United States, which will continue to be protective. Formerly free trade was popular both in the South and West, but of late years manufactures have been introduced into sections of the country where they did not formerly exist, and the change in public opinion is so marked that there can now hardly be said to be a free trade party. In Canada, too, the writer in *Blackwood* believes that protection is so popular that, even in the event of a change of government, there would be no essential change in the tariff. Such is the inference to be drawn from the recent speech of the Hon. Mr. Mackenzie, who evidently desired to convince his hearers that, in the event of a change of Government, there would be