

of the action, that the questions submitted as to facts were insufficient and defective, that there was misdirection in the judge's charge, and that there was obvious error in the verdict and judgments appealed from. Appeal was this week allowed and new trial ordered on one issue.

THE CALEDONIA INSURANCE COMPANY.

On the eve of the 104th annual meeting held yesterday in Edinburgh, a few shareholders took it upon themselves to issue a circular with a view of trying to bring about an amalgamation of Scotland's oldest insurance company with another leading office there. Happily their efforts were non-availing. A cable to Mr. Lansing Lewis, Canadian manager of the company, reached Montreal yesterday stating that the policy of the directors had been triumphantly sustained by an overwhelming majority of the shareholders. The plot was undoubtedly started by speculators who hoped to realize a profit on shares bought by them after the San Francisco conflagration. The cry by which they hoped to influence a number of other shareholders related to the inevitable depletion of the company's reserves after it had successfully passed through the San Francisco ordeal. Against this contention the directors have been able to point out that, ever since the conflagration, very satisfactory underwriting results have been attained, so that the reserves are now fully adequate for the protection of policyholders without fear of drain upon the uncalled capital of shareholders.

The company's reports for the past three years show a profit of \$1,094,000 (not far short of half of the amount of the San Francisco loss) out of which over \$700,000 has been carried to reserve.

When it is further considered that half of the present substantial dividend is provided by interest earnings, it is evident how well conditioned the company is to continue its career of honourable and sturdy independence. Current underwriting results and accumulated resources alike supply good reasons why the majority shareholders routed the malcontents this week.

As indicating the attitude of conservative underwriting opinion upon this subject in Great Britain the following may be quoted from The Post Magazine of London:

"Incidentally, it may be remarked that attacks of the kind here deprecated represent a serious danger to insurance institutions. If successful, there is hardly a company, however sound, but might be at the mercy of a clique; and for this reason, if for no other, it is to be hoped that shareholders will support the board which has hitherto served them so faithfully and well."

That the shareholders have so done, will be welcome news in Canada as well as in the old land—the company's business dealings in the Dominion having brought it into deserved favour here.

A REPORT FROM OTTAWA states that the sub-committee may conclude its labours this week on the Insurance Bill. Even if that be so, there will be reconsideration by the Banking and Commerce Committee before the bill is reported, so that its passage this session looks doubtful, indeed.

Our London Letter.

MARKET'S VIEW OF TURKISH SITUATION.

British Railway Matters—Grand Trunk Affairs—Ten Shilling Notes—Insurable Interest Case—Special Correspondence of THE CHRONICLE.

Recently a good deal of uncertainty was felt on the Stock Exchange regarding the immediate future owing to the developments in Turkey, but the subsequent course of events demonstrated that misgivings were not justified. Although irregularity developed in some sections, and business was not more than moderately good, the general tone and sentiment remained satisfactory. Consols weakened sympathetically on the announcement of a new railway loan by the Indian Government, and the home railway market was little affected by the news of the withdrawal of the Parliamentary bill promoted by three of the companies for their amalgamation. Market men, however, are inclined to take this announcement philosophically, arguing that the companies concerned with a little goodwill towards each other will be able to effect substantial economies without having recourse to the legislature. This is, no doubt, true, but it would have been more satisfactory had the original scheme been carried out. Having, however, once come together, the directors of the companies concerned can hardly allow things to drift back into their old condition of *laissez faire*, foolish competition and waste. The British railway shareholder is a peaceable and long suffering individual who has a truly touching confidence in his directors, but even he, his imagination once touched, as it has been by the talk during recent months concerning economy and combination, will scarcely allow that.

Canadians' Good Tone.

The tone of the Canadian market has been conspicuously good of late. Quite a sensational rise has been registered by Hudson's Bay shares which have touched 96, a rise of eight points on the price ruling at the time of the publication of the results of the land sales a week or two ago. According to the information of one of the financial dailies, two big London houses and a leading firm in New York have made arrangements to acquire a large block of shares jointly and take them off the market. Apparently they have been bidding freely for the shares this week up to 96, but have only been able to acquire small lots. Recent events in the wheat market have induced optimistic views of the future of Canadian railways by far seeing observers, who suggest that an acceleration of Canada's agricultural development is imminent and that eventually your country will take the position not only of the granary of the Empire, but of "the granary of the world." Hence the continued rise in Canadian Pacific.

The Grand Trunk Meeting.

Expectations regarding a noisy Grand Trunk meeting have been duly gratified. On the whole the speech of Sir Charles Rivers-Wilson, with its under-current of optimism regarding the future, was satisfactory to the markets, although operators would have been better pleased had fuller informa-