

CANADIAN RAILWAYS AND THE INTER-STATE LAW.

A desire to get rid of the competition of Canadian railways in the United States has taken possession of the controllers of the Trunk lines of the Republic. And the Inter-State Commission is appealed to in the hope that it will find a means of overcoming this opposition. It is clearly the interest of the Republic, competing in agricultural produce as it must with other nations in the markets of the world, that the cost of carriage on what it has to sell abroad shall be reduced to the lowest paying point. Its produce must be sold for what it will bring in the common market for the surplus of producing and competing countries, and any unnecessary addition to the cost of transportation is a deduction from the annual revenue of the American farmer.

The service which the Canadian railways perform in connection with American through traffic is appreciated and set forth by the committee of the Oil Trade Association of New England. The committee represents that, for many years, a considerable quantity of produce from the Western States has been carried through Canada to Boston, both for home consumption and for export, while large amounts of manufactures, foreign and domestic, have been sent from Boston through Canada to the Western States, much to the advantage of Boston and New England interests generally. The ground is taken that the "route through Canada to and from Boston is geographically the natural route for many places of importance in the Western and North-western States." This business, the committee notes, has been carried on by Canadian railway companies on fair and advantageous terms. The competitive route furnished by Canadian railways, independent of other trunk lines, is declared to have been a "great benefit to the merchants, manufacturers, and the community generally of Boston and New England," any tendency in the American lines to charge exorbitant rates having been held in check. By this channel Canadian produce reaches the port of Boston, simply because it is not subjected to any unreasonable restriction. These views will be pressed on the Senate Committee, where new schemes of restrictive legislation will be decided.

The price of grain in the world's markets has come to depend largely on the cost of transportation, every reduction in the cost of which has had its effect on price of the articles carried. What is it that has reduced to the lowest point, and in many instances utterly destroyed, the profits of the English farmer? It is the competition of foreign produce, aided by a continuous reduction in the cost of rail and ocean freights. And not only is this competition injuriously felt by the British agriculturist, it extends to all the competing nations. Some countries have an advantage in one point, and some in another. India has cheap labor and long distances to carry. The United States has dear labor and comparatively short ocean distance of carriage; the land haulage in the Republic varies

with the vast extent of territory. The farmers who live at a comparatively short distance from the sea insist that they shall not be deprived of the relatively superior advantage of geographical position, and that their produce shall pay no more freight, mile for mile, than that which has to be brought from the most distant points of the Republic. "O yes," replies Congress, "that is a reasonable proposition," and proceeds to enact an inter-state law to carry this rule of proportionate freight charge into effect. The equity or seeming equity of the arrangement cannot be denied, when it is regarded solely as a domestic affair; but as a matter of policy into which international considerations must enter, it is clearly against the interest of the Republic to handicap the producers who live in the remote parts of the country, and whose produce has to compete in the British markets with that of India, Canada, and Russia. The question is one with two sides to it, and Congress has insisted on looking only at one.

Is there not another and better solution of the question? The States which border on the seaboard and others which can reach the ocean by comparatively short distances have a right to be protected from excessive railway rates. But they have no right to impose restrictions on the remote parts of the country, restrictions which tie the hands of the producers when they have to compete with other countries. The strength of a jealousy founded on equity which carries its pretensions to this unreasonable extent is great. The error is in confounding a right to protection from excessive freight charges with a right of restriction, or in assuming that restriction on others is the measure and shield of one's own rights. There is and can be no pretence that the American farmer can receive any protection from a Customs' tariff: he must meet the competition of the world in the world's markets. His interest is that his produce shall be allowed to enter those markets on the best terms of competition, with the lightest possible tax in the form of freight. The inter-state law makes an abnormal freight tariff, a tariff which presses heavily on long distances by its restrictions and prohibitions. Free competition in freight for long distances is the best as it is the natural regulator; it is the only one consonant with the material interests of the Republic. Let the legislative authority guard the frontier and middle States from the possibility of exorbitant railway charges, but let the distant States and Territories have the benefits of free competition in freights. So long as the inter-state law exists, a demand for its application to Canadian railways may be expected. By a different rule, Canada can place the produce which it raises in the far West in the British market on better terms than American railway restriction allows American rivals. This is a matter of choice; the Americans can handicap themselves in this way if they have a desire to put themselves at a disadvantage. It would be inconceivable that, when the real nature of the situation is demonstrated in practice, they should always continue to do so.

LIFE INSURANCE CHART.

Once more, and earlier than usual, we present our readers with the customary annual full-page chart of the business done during the past five years by the life insurance companies transacting the largest business in Canada during that period. It embraces the principal items reported to the Dominion Government by eight Canadian, three British, and six American companies. Two of them, however—the London, of Ont., and the Mutual, of N.Y.—have only been taking new business during four years over the Dominion, and their figures are for that period only. The latter company, it will be noticed, has been making rapid progress since re-entering the field, after its ten years' absence.

Out of the seventeen embraced in the chart, the six companies scoring the largest amount of new business in Canada, during 1888, are the following:

| Names. | Policies. | Amount |
|-----------------------|-----------|-------------|
| Canada Life..... | 2,057 | \$1,640,439 |
| Mutual Life..... | 1,390 | 3,104,135 |
| Federal Life..... | 1,197 | 3,063,500 |
| New York Life..... | 1,277 | 2,713,173 |
| Sun, of Montreal..... | 1,912 | 2,673,845 |
| Equitable, N. Y..... | 1,344 | 2,612,312 |

And the six companies having the largest premium income from Canadian business, and the largest volume of business on their books, in their order, are the following:

| Names. | Premiums. | Insurance. |
|---------------------|-------------|--------------|
| Canada..... | \$1,250,729 | \$43,853,473 |
| Etna Life..... | 706,639 | 18,248,768 |
| Confederation..... | 510,583 | 16,616,360 |
| Equitable..... | 517,631 | 14,715,380 |
| New York Life..... | 500,188 | 11,953,764 |
| Ontario Mutual..... | 337,915 | 11,972,835 |

The Canada Life, being by many years the oldest home company, holds a good lead on the total score, and no doubt will continue to do so for many years. But in the matter of minor places there are likely to be some changes in the near future, owing to the strong competition, all over the world, of the three great New York companies, the Mutual, the Equitable, and the N. Y. Life. The Equitable has a good lead, both in this country and elsewhere throughout Christendom, but the other two seem to have more "push" on in Canada, just at present.

Besides the seventeen companies embraced in our chart, there are twelve other companies doing more or less new business in the Dominion. And then there are still eleven more which have ceased to seek new business, but which continue to collect premiums and pay losses growing out of the old business obtained years ago. Most of this latter class are English or Scottish companies.

Of the companies doing new business for whose figures we could not find room in the chart this year, the following tables give the chief figures. It will be seen that the business of the Manufacturers reached large proportions.

| DOMINION SAFETY FUND. | | | | |
|-----------------------|--------------|----------------|------------------|-----------------|
| Year. | New Members. | New Insurance. | Total Insurance. | Total Premiums. |
| 1884 | 305 | \$305,000 | \$1,983,000 | \$31,372 |
| 1885 | 437 | 437,000 | 2,217,000 | 32,190 |
| 1886 | 320 | 552,000 | 2,590,000 | 39,983 |
| 1887 | 118 | 168,000 | 2,546,000 | 39,300 |
| 1888 | 196 | 233,000 | 2,345,000 | 38,945 |

| UNITED STATES, N. Y. | | | | |
|----------------------|--------------|----------------|------------------|-----------------|
| Year. | New Members. | New Insurance. | Total Insurance. | Total Premiums. |
| 1884 | 142 | \$230,100 | \$492,605 | \$13,721 |
| 1885 | 36 | 76,500 | 375,925 | 12,495 |