

was exceptionally favorable, and there was doubtless a good profit therefrom. But among their widely diffused risks the fire waste in the United States was such as to swamp the more modest, but withal more safe Canadian business. The British America took in premiums last year, fire and marine, \$1,581,538, but spent 66 per cent. of it in paying losses, and nearly 30 per cent. in expenses, leaving but a slender margin. Then the Western, with premiums of \$2,467,711 had to stand losses of 66.52 per cent., and expenses of 31.30 per cent. In other words it takes in \$2,532,741, interest included, and pays out \$2,414,098, leaving only \$118,642, little more than enough to pay dividend. We agree with Mr. Iryin that it is time a cure should be found for underwriting that is so little satisfactory in its results as this.

Expenses are too heavy, to begin with, and the unbusinesslike and excessive commission system is to blame largely for the heavy ratio of expense. Instead of the expense ratio decreasing as the volume of business increases, as it commonly does in other businesses, the expense ratio in insurance keeps on increasing. Thirty years ago, or more, 25 per cent. was the normal rate of expense to premium, but by 1875, as we find by referring to some tables of averages, it had grown to 26, by 1885 to 30, by 1895 to 32 per cent. The pushing and pressing and competing for business, the employing of various classes of brokers, special agents and go-betweens, and promising a commission to each has saddled the business with more than it will bear or ought to bear. Many of these barnacles should be removed, and the sub-division of commissions, secret or otherwise, stopped. As to rates, they have been reduced in the States by competition, we understand, in the last five years by from 10 to 15 per cent. Whether it is necessary in equity to raise them we do not say. But even at the present rates money could be made if expenses were more reasonable. To prove this it is only necessary to select the figures of fire premiums in Canada for a dozen years, as shown by the Blue Book, and make a calculation based thereon. From 1887 to 1898, inclusive, the premiums taken by Canadian companies (page xi., Report of 1898), were \$46,031,905, and there was a net loss to the companies during that period of \$162,301. Five per cent. on this sum of premiums is \$2,301,595. This two millions and a third of dollars could have been saved in twelve years if expenses had been reduced only five per cent.; that is to say, if instead of the 30 to 32 per cent. disbursed in commissions, etc., the amount spent had been 25 to 27 per cent., there would have been a profit of \$2,139,294. The lesson is sufficiently obvious.

RAILWAYS AND SUBSIDIES.

In applying for charters to build certain branch railways, aggregating 932 miles, the Canadian Pacific Railway Company emphasizes the fact that it is not asking subsidies. This is another proof that the subsidy system has fallen into a state of decrepitude. Subsidies are not asked, because it is pretty certain they would not be granted. If they are not asked, at Ottawa, it is certain that they would not be granted at Winnipeg, where the recent elections decided against them. The secret Orders-in-Council, discovered since the change in the Manitoba local Government took place, will not be carried into effect. In British Columbia, now on the eve of

a general election, the decision is likely to be in favor of Government railways. Subsidies without a condition of future return, in whole or in part, have evidently about reached their term. In the case of the projected branches, the C. P. R. contents itself with obtaining a bonding power of \$20,000 per mile, though it asked \$30,000. Judge Clarke also told the Railway Committee of the House of Commons that the company, in respect to those branches, would not enjoy its general power of making what freight charges it pleased, but was willing that they should come under the General Railway Act. Here is some improvement in the conditions of charter granting, for which let us be thankful.

CANADA'S METALS.

During the last fourteen years, which is the period for which we have complete tabulated returns of the mineral production of the Dominion, the value of that production has increased four-fold. In 1886, the first of these years, it was of a value of \$10,221,255 and by steady increases rose to \$20,035,082 in 1893, and to \$47,275,512 last year. Of this total the metallic substances constitute \$28,833,000 worth, and the non-metallic \$18,142,000 worth. Gold is the largest item, being stated in the return of the Geological Survey at \$21,049,730, of which \$16,000,000 was from the Yukon District. Coal is the next, the value given being \$9,040,058, which was realized from 4,565,993 tons. The output of lead and silver fell off compared with 1898, but copper, though less produced, yielded more money, because of the increase in price. The following is a summary of 1899 production:

METALLIC PRODUCTS.		Value.
	Quantity.	
Copper (fine in ore, etc.), lbs.....	15,078,475	\$ 2,655,319
Gold, Yukon	\$16,000,000	
Gold, all other	5,049,730	21,049,730
Iron ore, tons	77,158	248,372
Lead, lbs	21,862,436	977,250
Nickel, lbs	5,744,000	2,067,840
Platinum, ounces	55	835
Silver (fine, in ore, etc.), lbs.....	3,078,837	1,834,321
Total metallic		\$28,833,717
NON-METALLIC PRODUCTS.		Value.
	Quantity.	
Asbestos and asbestic, tons.....	2,285	\$ 483,299
Coal, tons	4,565,993	9,040,058
Coke, tons	100,820	350,022
Gypsum, tons	244,566	257,329
Mica		163,000
Natural Gas		387,271
Petroleum, bbls	808,570	1,202,020
Pyrites, tons	27,687	110,748
Salt, tons	57,095	234,520
Total structural materials and clay products.....		\$12,228,267
Total all other non-metallic.....		5,596,843
Total non-metallic		316,685
Total metallic		\$18,141,795
Estimated value of mineral products not returned		\$28,833,717
Total, 1899		300,000
		\$47,275,512

We hope to go on another occasion more fully into the details of this table, but meanwhile note that the