

FROM THE CAPITAL.

(From our own Correspondent).

OTTAWA, 11th April, 1871.

The fourth Session of the first Dominion Parliament is rapidly drawing to a close, and not a few of the members have already left for their homes. In some respects the Session has been a singular one. The first part was remarkable for its dullness; then the local elections for Ontario came on, depleting the House of Commons of many of the representatives of that Province; but the last part has not only been noticeable for the large attendance, but for the able and spirited character of some of the debates.

The debate on the admission of British Columbia has been undoubtedly the great debate of the Session. Not a few gentlemen both on the Ministerial and Opposition sides, though treating the subjects from opposite stand-points, discussed it with masterly ability, while the general tone of the debate was quite above the average. The chief point of difference was the Pacific railway, and the serious obligation undertaken in the address to Her Majesty to complete the work in ten years. The people are now possessed of the facts, and will no doubt decide between the contending parties on this point when the proper time arrives. The fact which I desire to call attention to more particularly is this: Canada has now fairly embarked in the great scheme of linking together the Atlantic and Pacific oceans by means of a railway passing through its own territory, and the work must be begun within two years from the present time! What this implies as regards the expenditure of capital, the demand for labor, and the development of the Dominion, few can properly appreciate.

The address to Her Majesty from British Columbia has already been sent to England, and that of the two Houses of the Canadian Parliament will be sent almost immediately, so we may soon expect to hear that the Queen's proclamation has issued, and that the Dominion territory extends from ocean to ocean. There can be no doubt of the fact that grave responsibilities have been assumed by the rest of the Dominion in connection with the admission of British Columbia; but the great scheme of Confederation agreed to in 1864 would not have been complete without it, and it is to be hoped the growth of the Dominion will be such as to make the financial burdens less felt than present circumstances indicate.

Very considerable changes have been made in the Banking and Insurance Bills since their introduction. This remark applies particularly to the latter measure, nearly all the principal features of which were strongly opposed by the officers of the leading companies doing business in Canada, who mustered at the Capital in strong force. The Committee on Banking and Commerce, to the surprise of the Minister of Finance, struck out nearly all its principal clauses. The Bill, as amended, contains little else than the two clauses providing for the winding up of insolvent companies. The most obnoxious features to the companies—such as the compelling them to make deposits sufficient in amount to re-insure their entire annual business, the proposed system of inspection, and the necessity of making deposits

for Canadian policyholders only—were all swept away by the Committee.

The principal change in the banking law is probably this: that instead of getting their charters renewed by patents from the Government, the different banks receive a Parliamentary charter, all their names, with one or two exceptions, being appended to the new Bill. The law has undoubtedly been improved by being consolidated, and by some minor changes which experience has proved to be necessary.

The Bill respecting certain savings banks in Ontario and Quebec will certainly become law. The principle of the measure is, that depositors in such institutions shall be secured by a certain amount of capital to be held by such bank. Provision is made so that the existing savings banks can either transfer their deposits to the Government, to chartered banks, or obtain a charter for themselves from the Government. The capital of any chartered savings bank shall not be less than \$200,000. The measure has met comparatively little opposition, there being a general feeling that there ought to be more security to the depositor in such banks than at present exists.

The measure introduced by Mr. Harrison, of Toronto, declaring that all notes taken by mutual insurance companies should be stamped, hangs fire. It is now proposed to make the Bill give power to companies to stamp any notes in their possession which require to be stamped before they can be collected, but without declaring that all, or any, of such mutual insurance notes require to be stamped. It was urged by some members that the so-called notes differed little, in many cases, from an agreement. Doubtless, if the Bill ultimately passes, will have to be put on notes requiring to be stamped.

The Supplementary Estimates were brought down on Wednesday last. There is a further sum of \$1,099,263 asked for the year ending 30th June, 1871, and \$1,134,380 for the incoming year. Adding the latter sum to the ordinary estimates for 1871-2, the total estimated expenditure for the year amounts up to the handsome sum of \$26,816,752! From this amount, if we deduct the sum of \$7,846,900 which is chargeable to capital account, the ordinary estimated expenditure will be found to be \$18,969,852. This is a very large amount, and it will be fortunate if, at the end of the year, Sir Francis Hincks has revenue enough to make both ends meet.

INSURANCE RATES IN OTTAWA.

Editor Monetary Times.

SIR,—At a meeting of certain of our insurance celebrities, some few days ago, relative to fire business in Ottawa, it was, I understand, decided that in consequence of the lack of a supply of water for fire purposes, and also of appliances for rendering effective the little that was available, the rates of insurance be increased 50 per cent, an exception being made in the case of churches, schools, and a few other structures of that character, on which the increase should be 25 per cent. It was suggested at the meeting that it was advisable for all companies doing business in Ottawa to abandon it altogether until such time as the citizens should arouse themselves to the necessity of supplying deficiencies so long and so severely felt. The suggestion was, however, objected to, and the decision arrived at was substantially that to which I have referred.

Judging from the tenacity with which many of our companies hold on to places where they have experienced nothing but adverse results, one might almost fancy that the managers and directors of these institutions were possessed with a spirit of fatalism. Agencies are established and continued in localities where, year after year, with scarcely an exception, the losses incurred are far in excess of the premiums received; and yet, following that doctrine of inevitable necessity, they

appear totally incapable of extricating themselves from the toils that are, as it were, thrown around them.

As regards the city of Ottawa—and it is in no spirit of unfriendliness to the Capital that I have been induced to give expression to these thoughts—my opinion is, that as a field for insurance companies, no rates of premium that can be imposed will be remunerative. Let such of our companies as have done the largest amount of business there during the last five years add 100 per cent. to the premiums received, and I am convinced they will find that they bear no reasonable proportion whatever to the amount of losses sustained. The people of Ottawa may, in the event of the withdrawal of insurance companies, complain at the prospect of being deprived of the means of indemnification against loss by fire; but, viewing the matter from an insurance stand-point, I believe that such a step will ultimately become an imperative necessity. Companies cannot continue to insure where the community manifest an indifference akin to criminality in refusing to avail themselves of the means of protection brought by nature almost to their very doors. For companies to persist in their operations in such a locality is to court disaster and final ruin. It is, moreover, I contend, unjust to other cities and towns where proper requisites exist for the extinguishment of fires, but where comparatively high rates of premium have, notwithstanding, to be maintained, in order to enable the insurer to sustain the reverses in those that have not.

I am not forgetful of the fact that a by-law has on one or two occasions been submitted to the people to permit the civic authorities to construct works for furnishing the city with an abundant supply of water; but it was done in such a formal, slipshod manner as to convey the impression that defeat and not success was anticipated—and defeated it was accordingly. It is hard for those who, bearing the great bulk of taxation, are compelled to witness the destruction of their property by repeated conflagrations, but are rendered powerless to apply a preventive by the aversion to a slight increase in their taxation on the part of that class who have little or nothing at stake in the city, the whole of whose worldly possessions may, if necessary, be wheeled off in a hand-cart, but to whose vote the defeat of the by-law in question may doubtless be ascribed.

Truly yours,
Toronto, 28th March, 1871.

ZENAS.

Meetings.

NORTH GREY RAILWAY COMPANY.

A general meeting of the subscribers to the capital stock of the above company, for the election of directors, &c., was held on April 11th, at the offices of the Northern Railway. The chair was taken by Mr. C. R. Sing, reeve of St. Vincent, who was supported by Mr. F. W. Cumberland, Managing Director of the Northern Railway, Messrs. N. Barnhart, Hon. J. Beverley Robinson, J. D. Edgar, D'Arcy Boulton, H. L. Hime, C. Moberly, Patterson, reeve of Euphrasia; McCullum, reeve of Collingwood; Rorke (Clarksburg); Tyson and Stewart (St. Vincent), F. J. Joseph, Secretary, &c.

The minutes calling the meeting having been read, the following report was submitted and adopted:—

Report.

TORONTO, 11th March, 1871,

1. The Provisional Directors have the honor to present their report of the transactions of the Company to this date.

2. The charter of the Company having become law by Royal assent on the 13th February, the respective Councils of the townships of St. Vincent, Euphrasia and Collingwood, lost no time in submitting by-laws to their ratepayers, granting bonuses in aid of the construction of the railway,