

time and attention. Principal among these were the improvement of the harbor and the erection of a flour mill. Mr. Long contended that the board's influence had been exerted in effecting several beneficial changes in matters affecting the commercial interests of the town. He finished by foreshadowing some of the topics which were likely to come before the board during the present year.

At the conclusion of the president's address a vote of thanks was tendered him for his very interesting address, and for the untiring devotion shown by him to the best interests of the town. Votes of thanks were also tendered to the vice-president, the secretary and treasurer, and were suitably acknowledged.

The election of officers was then proceeded with and resulted as follows:

J. J. Long, president.
H. Y. Telfer, vice-president.
C. R. Carpenter, treasurer.
G. E. Moberly, secretary.
Council—C. Macdonell, J. Brydon, C. Stephens, C. Cameron, W. A. Copeland, G. Moberly, W. T. Toner, James Guilfoyle.

BOOKS RECEIVED.

THE PRESBYTERIAN YEAR BOOK, for Canada and Newfoundland. Edited by Rev. Geo. Simpson. 1891. Toronto: Presbyterian Printing & Publishing Co., Limited. Price 25 cents. In addition to the lists of officers and committees of the General Assembly, rolls of synods and presbyteries, an alphabetical list of ministers, and a portrait of the present Moderator, Rev. Dr. Laing, of Dundas, the book contains interesting sketches of districts and subjects peculiar to Presbyterianism in Canada. Of these we find that of "Thirty years ago" in the Maritime Provinces, and that of the Province of Quebec the most interesting; while the glow of ecclesiastical enthusiasm appears in the paper on Foreign Missions. There are good cuts of church buildings—notably the graceful Central Church, Galt; St. Andrew's at New Westminster; St. Andrew's at St. John.

MONTREAL CLEARING-HOUSE.

Clearings and Balances for the week ending 29th January, 1891, were as under:

	Clearings.	Balances.
Jan. 23.....	\$1,128,299	\$187,633
" 25.....	1,390,490	141,854
" 26.....	932,720	140,850
" 27.....	1,519,160	123,205
" 28.....	1,147,647	152,022
" 29.....	1,351,544	296,327
Total	\$7,469,860	\$1,041,891

Last week	\$8,484,059	\$1,228,759
Cor. week 1890	\$6,488,039	\$890,822

—The shareholders in the Exchange Bank of Yarmouth held their annual meeting last week. The net profits for the year were shown by the report to be \$12,586.84; dividends paid, six per cent.; balance carried forward in profit and loss account, \$2,957.99. The paid capital of this bank is \$247,354; reserve fund, \$30,000; profit and loss, \$2,957.99. There is \$152,366 on deposit, of which sum \$24,749 is on call. The circulation is \$60,286. Assets consist of \$404,860 in current loans, discounts and advances to the public; assets immediately available, \$59,190, which includes \$5,847 in specie, \$5,760 in Dominion notes, the remainder consisting of notes of and cheques on other banks, and amounts due from other banks in Canada or the United States. The

old board of directors was elected: Wm. D. Lovitt, John H. Killam, N. B. Lewis, Robert Caie and B. B. Law.

—The twenty-eighth annual meeting of the Waterloo Mutual Fire Insurance Company has been held. Its report shows an increased business for the year: the policies, 14,532 in number, now cover \$13,810,000. There were 180 claims, aggregating \$63,074, which is equal to about 54 per cent. of the premiums and assessments. The assets of the company, including premium notes (less what has been paid thereon) are shown at \$216,890 over re-insurance and other liability. The company has \$66,000 in mortgages, debentures, real estate and cash, besides some \$24,000 in forms other than premium notes. It has long shown how a carefully conducted Mutual can prosper, and its affairs are evidently well looked after still.

—Before the meeting of Council of the Quebec Board of Trade on Thursday of last week, it was stated that a memorial letter was about to be addressed to the Dominion Government in connection with the recent cattle trade investigation. This letter contends, we are told, that all or nearly all of the mortality in the cattle shipments by the St. Lawrence route "would be obviated by shipping at Quebec, instead of at Montreal, but that to render Quebec's superior facilities profitably available the Canadian Pacific's freight rates must be no higher than to Montreal. To induce the Canadian Pacific Railway to make the reduction the latter says that the \$1,110,000 held by the Federal Government against the old North Shore road must be wiped out in some way or other." Such a discrimination against Montreal is not likely to be made. Montreal is too important a port for the trade of the Dominion to be so treated.

—A correspondent calls attention to the exertions of the Board of Trade in London. This body, he says, "has been doing good work. In addition to discussing the varied industries of the city and the product of the farmer, several interests have been advanced. They have, by great exertion, succeeded in getting direct mail communication with the Old Country, a mail being shipped direct from the London post office." The rooms of the Board are on the second floor of a handsome structure on Richmond Street, and consist of the librarian's room, reading room, &c., &c. Mr. J. A. Nelles is the secretary of the Board.

—A meeting of the Vancouver Board of Trade was held on January 17th, to consider the project of a dry dock at that place. The meeting was a very full one, Mr. R. H. Alexander, president of the Board, was in the chair. Mr. George E. Berteaux moved a resolution approving the scheme, which was supported by several speakers. Mr. Cotton moved an amendment, which after some delay secured a seconder, but, according to the *World*, only five hands were held up in its favor, and the original motion carried by a sweeping majority.

—The sudden death of Mr. Windom, Secretary of the United States Treasury, at the dinner of the New York Board of Trade last night, removes a good man at an anxious time for the country.

Correspondence.

THE BUSINESS OF FIRE INSURANCE.

Editor MONETARY TIMES:

SIR.—In reviewing a report on the subject of fire insurance, recently issued by the Walkerton Board of Trade, you express the opinion that the scheme of municipal fire insurance proposed by the board is impracticable, or at least not so desirable as the present system of insurance by companies.

The position taken by this board is that the companies are charging too much, and that the municipal councils of towns, villages and townships should have power to insure themselves, which might be done quite as safely, and at a much less rate than is charged by the companies. In support of this position we point out that the companies, in 21 years, collected \$80,002,000 for premiums, out of which they paid \$56,610,852 for losses, leaving to themselves for profits and expenses \$23,391,148.

In answer to this, you point to the St. John, N. B., fire in 1877, "when the companies had to pay \$225.58 for each \$100 premiums received by them. The adverse balance against British companies in 1887 (1877?) was slowly reduced year by year, but was not made up until 1887, when the companies had a balance of \$341,938 in their favor. . . . Another conflagration similar to that of St. John may occur any day, and the accumulated reserve of ten years may again be swept away in one."

Admitting the correctness of everything you say herein, it is not a sufficient reply to our statement. First, because we do not include cities in our proposed scheme of municipal insurance; and second, because "the slow reduction made year by year" was paid out of the money collected from the policy-holders themselves, and was not paid out of the pockets of the companies. As a matter of fact, the stockholders of the companies never paid out one cent of their own money for the St. John fire, or any other fire, during the whole period of 21 years covered by our report. The insurers paid all the losses themselves, in addition to paying the companies \$23,391,148 for handling their business. What we propose is that they should handle it themselves, and thereby save the greater part of this money.

Commenting on our proposal, you say: "Taking the 21 years' experience referred to by the committee of the Walkerton Board of Trade, 70.76 per cent. of the premium was required to pay fire losses, leaving 29.24 per cent. for expenses and dividends. The average expense for conducting companies is over 25 per cent. of the premiums, which leaves in the case under notice, less than 4½ per cent. for the stockholders."

Turning to the Government report for 1889, which contains the tables for the 21 years mentioned, we find that the proportion of expenses to profits is not given. Your division therefore is an arbitrary assumption, though doubtless approximately correct. The report for 1889 gives the proportion thus:—

"For every \$100 of premiums received there were spent on the average \$49.58 in payments of losses, and \$27.30 for general expenses, leaving \$23.12 for the companies." Possibly the "general expenses" are worked on a sliding scale—when business is good salaries go up. Thus we see that last year, which you say was "an exceptionally favorable one for insurance companies," the proportion of "general expenses" went up to 27½ per cent., leaving the poor stockholders to pocket only \$23.12 out of every hundred dollars collected by their agents. This, you must admit, is an exceedingly handsome dividend. But on what is it a dividend? The money subscribed by stockholders of fire insurance companies is not used in the business at all. It is invested in Government bonds and other securities, on which they receive the current rates of interest. This \$23.12 out of every hundred of their entire receipts therefore goes into their pockets as a bonus. They give nothing for it, not even their services, for all services are handsomely rewarded by the other item of the division, \$27.30 for "general expenses." Thus, in 21 years covered by the tables of the Government returns, although one cannot separate salaries and expenses from stockholders' profits, we find that both together came to the immense sum of \$23,391,148. And this, be it observed, after catching up to all the losses of the St. John fire, which fire, by the way, appears