security upon which to 'finance' the Dominion Pacific Railway and vastly to improve the emigrants' position, while adding to the general resources of the Empire. The labour of 20,000 men for £2.000 a day was a better way of 'financing' than selling £4,000 in bonds for £2,000 in cash."

A railway through to the Pacific is undoubtedly an enterprise of great magnitude; in the absence of a survey it seems idle to talk of it. Still, there is no known reason why it should be regarded as an impossibility, and since it is a necessary part of the Confederation scheme, we may regard its construction as a foregone conclusion. Mr. Laidlaw has shown that he rightly appreciates the nature of the task, and the accumulation of labour and capital, which is necessary to its accomplishment. Chinese could no doubt be had to do every stroke of the work, but there are the most weighty of reasons in favor of having it done by British labour in preference, since not merely the building of the road is involved, but the whole future destiny of the country. An agitation of the subject in Britain will do good, and we are glad that Mr. Laidlaw has the discretion to bring it forward in the tangible and practicable shape in which it has been laid before the people of England.

THE MUTUAL LIFE OF NEW YORK—INTERESTING DEVELOPMENTS.

A meeting of policy-holders in the Mutual Life Insurance Co., of New York, was held in that city last week. From a report of the proceedings, it appears that a number of charges have been preferred against the managers, and the meeting was called for the purpose of hearing, and examining into, the merits of these charges. A Mr. James W. McCulloch came forward and assailed the officers of the company. He insisted that although the company was perfectly safe there ought to be a change in the direction. In company with others who shared his view, he had started an opposition ticket at the last annual election, but the president and vice-president held so many proxies that the project of reform was defeated. The whole number of votes cast was 9,871, of which 2,950 were personal votes and 6,921 proxies Out of these proxies the officers of the company cast 6,894—one officer alone throwing no less than 4,950. Certain irregularities were alleged, and it was intended to bring the matter before the Supreme Court. This step, however, was deferred pending an investigation by the Superintendent of Insurance for New York. It was charged that Mr. Winston, the president, had loaned a Mr. Husteed, the sum of $30,000, on stock collaterals in violation of the charter; that Mr. Winston loaned to Seymour & North, State agents, to disburse funds to sick and wounded soldiers, the sum of $200,000, in Mr. Winston's own name, in violation of the charter. There was nothing on the books to indicate this large transaction.

The next charge is, that bonuses to an enormous amount had been paid the officers of the company, since 1865. And here we think Mr. McCulloch has certainly brought to light a rather interesting state of affairs.

The following are figures showing the total salaries and bonuses paid to certain officers between 1865 and 1870, a period of five years:

	Salary.	Bonus.
Mr. Winston, president......	$105,000	$56,250 42
Mr. McCarthy, vice-presid't.	38,500	20,625 21
Mr. Homans, actuary.... ...	46,500	28,125 21
Mr. Stuart, secretary	22,000	19,725 21
Dr. Post........	39,000	27,625 21
Dr. Kip..	23,500	23,775 21

The total salaries and bonuses disbursed to these and various other officers during the period named, were: Salaries, $308,250; bonuses $189,822.94.

If this statement be correct, and it is not contradicted, it would seem not at all surprising if attempts should be made "to hide the amount of these bonuses, by evasive entries, under different accounts." It is time the policy-holders had a little more control over the management of the concern, for even so fat a carcase as the Mutual Life may be bled to death.

Mr. McCulloch further charged the president and vice-president with imposing upon the trustees and policy-holders by including as actual cash receipts the dividends of the next preceding year left by policy-holders to secure additions to policies; that policies which had been forfeited or surrendered at the full value, were improperly restored in several cases—the instance being particularly mentioned of a restoration to the heirs of the late Mr. Winston, son of the president, of policies all of which had been surrendered but one, and upon that one only one premium had been paid. All of these doings were in direct violation of the charter and rules of the company. He charged the president and vice-president with withholding *post mortem* dividends from representatives of deceased members since January, 1869, in violation of the charter. The vice-president was charged with having given a general agency of the company to a relative who was of unsound mind, and who continued to be paid for his services after he was removed to the Insane Asylum. It was alleged that the president and vice-president exercised undue control over the affairs of the company by obtaining and using great numbers of proxies. These are most damaging charges; if even the half of them are true a change cannot be brought about too soon.

The solicitor of the company defended the officers at length justifying their action, and dwelt upon the fact that the Insurance Superintendent had examined into their affairs and wholly exonerated the officers from blame. A resolution was moved protesting against the system by which the Company was managed and demanding a change, but the meeting finally separated without taking any decisive action.

These incidents in connection with this company are instructive, since they show some of the dangers to which life insurance is exposed. No danger can be greater than to have the entire control in the hands of a few officers, who have made themselves absolute by the aid of proxies, especially with the enormous temptation to wrong doing which the control of thirty or forty millions of cash necessarily affords.

Amalgamation of Peat Companies.—We understand that negociations are in progress, and approaching completion, by which the Anglo-American and Ontario Peat Companies will be amalgamated, the stock list of the Ontario Company being cancelled, and a new stock list formed; new subscriptions will no doubt also be asked for. It is expected that Mr. T. C. Keefer will be the President of the amalgamated Company. If the proposed arrangement goes into effect, the proprietors in the new company will own the whole extent of the Welland peat beds. It has cost a good deal to obtain the experience which has already been reaped by the promoters of the peat enterprises, and we hope now that so much has been done in the way of experiments, the public will be permitted to see some practical results.

Sale of City Bonds.—The remaining unsold bonds, issued by the City of Toronto, to the Trustees of the Toronto, Grey and Bruce Railway Company, amounting to $163,000, have been placed by Messrs. Pellatt & Osler, within the past week, at about current rates.

The Banking Act.—We publish elsewhere the act of last session in full as it finally received the Royal assent. Its provisions have already been the subject of extended comments in these column.

—Since our stock list was corrected the shares of the Bank of Montreal have rapidly advanced to 200, closing firm.

Communications.

THE SCOTTISH AMICABLE.

Editor of the Monetary Times.

Sir,—In the official statement published by Government of the amount of business done by the the various life offices in 1869, the Society which I represent is credited with having issued only four policies during the yearr This is correct, but the "year," in so far as the Scottish Amicable is concerned, consisted of but *six weeks*, viz.: from the 15th Nov., when the license under the new act was issued, to the 31st December. There was a foot-note to this effect in the return sent in, which, in justice to the Society, ought to have been published.

The cash deposit with the Government is now 150,000. Active and responsible agents are being appointed throughout the Dominion. The Manager and two Directors from the head-office have been delegated to visit this country in the course of the summer, to organize a Board of Directors at this, the chief agency, and to make other arrangements of a permanent character. I therefore feel confident that the returns for the present and future years will show that the Society is rapidly acquiring that measure of support and public confidence which it has not ceased to enjoy for a period of nearly half a century in the United Kingdom.

I remain, Sir,
Your obed't serv't,
James Nelson.

Scottish Amicable Life Assurance Office,
Montreal, 7th June, 1870.