

concessions in rates, or in the security for advances, he can let some of the less desirable ones go elsewhere and put the money which they pay him into bonds.

Usually it is aimed, in these purchases, to select bonds liable to appreciate in value. Of course, Canadian securities are preferred when they can be had to fill certain requirements, as to rate of return on investment and safety of principal. But it is not desired to have too large a sum embarked in any one issue or any one obligation. Lots of twenty-five and fifty thousand dollars are favourite amounts. To put a large sum into bonds in that manner requires a wide range of securities. That is how it is that American railroad bonds have also to be taken.



RAILWAYS AND THE STATE IN GREAT BRITAIN.

To an increasing extent it is coming to be recognized that the announcement made just over twelve months ago of an amalgamation of the Great Northern and Great Central Railways tolled the death knell of that free and practically unbridled competition, which has always been a distinctive feature of British railway practice. Events have moved quickly since that announcement stirred both the railway and financial worlds; in the interval there have been the Scotch agreements, the far-reaching consolidation of North Western and Midland interests; and the Welsh Railway Union; while the last few weeks have seen sanction given to the virtual absorption of the North London, at one time one of the best paying lines in the country, but now fallen on evil days, by its big foster parent, the North Western. While the era of *laissez faire* has thus been brought to an end by the widespread adoption of the policy of combination, it does not appear that the day of nationalization of the railways has thereby been appreciably hastened, or that proposals of the character will in the near future come into the arena of political discussion. It is true that a week or two ago Mr. Winston Churchill was credited with the announcement that the government would introduce a bill for the nationalization of the railways during the lifetime of the present parliament. That statement was officially contradicted and, although, as a distinguished London correspondent pointed out quite recently, official denials of inconvenient newspaper announcements need often to be taken *cum grano salis* there are in the present instance mighty reasons why that course should not be adopted. Ministerialists themselves are by no means united on the question of railway nationalization, while any proposals of the kind would arouse opposition not exceeded in kind by that which fought the

recent Licensing Bill. Moreover, the Ministerial programme is already loaded with measures of first-class importance.

But this is not to imply that the State will not in the near future put the railways under somewhat closer control. In this connection considerable attention has been paid to a speech made by Lord Brassey, whose distinguished position always ensures for him a respectful hearing, made just lately at a meeting of public authorities who were considering railway matters. "If," said Lord Brassey, "a closer combination than has lately existed is to be allowed, it will be absolutely necessary in the public interest that the action of the combined companies shall be under public control." Lord Brassey is a member of the Board of Trade committee which for some time past has been considering questions of railway policy. That committee consists of representatives of both railway and commercial interests and its commissioners have been investigating for themselves the railway policy of various continental countries.

In some quarters there is a tendency to interpret Lord Brassey's speech as an indication that the conference is in favour of a Board of Control. But this is to anticipate and, equally, there is no present evidence of the conclusions which will be reached by the Royal Commissioners on the Irish Railways. In Ireland, combination between the many small companies has made so little headway that it is an impossibility to get from north to south in the course of a day; and the country should furnish a very valuable experimental ground in railway organization before larger schemes, whether of control or of full blooded nationalization, are entered upon in Great Britain.



THE OUTCOME OF RESTRICTION.

How onerously restriction has borne upon New York life companies may be judged from the comparative exhibit of new business, as published in The Brown Book of Life Insurance Economics.* The table shows the new business aggregates in twenty-nine companies (industrials omitted)—nine New York companies and sixteen companies of other States for the years 1904-1907, inclusive:

	New York.	Other States.	Totals.
1904.....	\$885,628 600	\$414,431,000	\$1,300,059,600
1905.....	736,499,500	464,552,400	1,201,051,900
1906.....	430,843,500	444,266,800	875,110,300
1907.....	315,190,900	435,161,900	750,352,800

While, as must be admitted, there was exposure of wrong-doing on the part of certain companies, the hue and cry for restrictive legislation was due largely to the "vicious attacks and misrepresentations of a sensational press, and the malign influences brought to bear upon the situation by a "cabal of self-alleged 'reformers,' whose disa-

*Benjamin F. Brown, publisher, 159 Devonshire Street, Boston, Mass.