

THE CITIZENS' INSURANCE COMPANY
(OF CANADA.)

AUTHORIZED CAPITAL.....\$2,000,000
SUBSCRIBED CAPITAL.....1,000,000

DIRECTORS

EDWIN ATWATER, PRESIDENT.
HUGH ALLAN, C. J. REYDGES,
GEORGE STEPHEN, HENRY LYMAN,
ADOLPHE ROY, N. B. CORSE.

Life and Guarantee Department.

Office.....No. 71 Great St. James Street, Montreal.

THIS Company—formed by the association of nearly 400 of the wealthiest citizens of Montreal—is now prepared to grant policies of LIFE ASSURANCE and Bonds of FIDELITY GUARANTEE.

Applications to be made to the office in Montreal or through any of the Company's Agents.

EDWARD RAWLINGS, Manager.

The FIRE BRANCH of this Company is at No. 10 Place d'Armes. Applications to be made to GEORGE H. MUIR, Manager.

22-1-y

The Canadian Monetary Times.

THURSDAY, FEBRUARY 18, 1869.

NEEDED LEGISLATION IN SHIPPING MATTERS.

Some time ago we pointed out the great loss sustained by shipowners, and the peril occasioned to life from the absence of due provision in the laws of the Dominion for the regulation of matters connected with shipping. Among other matters, we explained the necessity for an examination into the qualifications of lake captains, and the granting of certificates of capability; for a proper investigation of circumstances attendant upon the loss or damage of vessels on the lakes; for the signing of articles by seamen; and generally for such statutory enactments as would change a state of affairs, on all hands regarded as mischievous and productive of great pecuniary loss. In the last official returns respecting Canadian shipping, the tonnage of Ontario was set down at 66,959, and its value \$2,787,800; that of Quebec at 155,690, and its value, \$4,633,945. An interest so large and of such importance is certainly deserving of attention from our legislators. In the year 1868, there were 1272 disasters on the lakes, involving the loss of an immense amount of property and a fearful sacrifice of life. In one season, 1865, the direct and ascertained losses reached \$400,000.

It is of importance, therefore, to ascertain, if possible, if this waste of property cannot be stopped, and whether means cannot be taken to prevent its annual recurrence. Of course the elements cannot be controlled by Act of Parliament, nor can accidents be prevented by Committees of inquiry. But when we come to think how many of these marine disasters are attributable to want of skill on the part of navigators, and, in only too many instances, to gross carelessness, we can imagine the reformation that is needed and can be effected.

Vessels are often run ashore intentionally, and no investigation ensues. The insurance money is obtained and the "accident," is allowed to pass unimproved. If masters were compelled to pass an examination before property and life would be placed in their care, or would be subjected to suspension or deprivation by a competent tribunal, we should have fewer cases in which the most ordinary precautions to guard against danger are neglected and consequently fewer losses.

As the law is at present, a seaman may leave his vessel at the very moment he is wanted; if the vessel be stranded he may discharge himself and refuse to work except at extravagant wages. There is no power to detain a foreign vessel in Canadian ports until she gives security for damage that she may have done. A great many other points might be gone over, all leading to the same conclusion, but it is not necessary to give them in detail, the absurdity of our present position in these matters being only too apparent.

In the Province of Quebec, the Imperial Shipping Act of 1854, can be pleaded so far as its provisions are applicable, but in Ontario, the same thing cannot be done. What we need is the machinery provided by that Act for carrying out its objects. It is the duty of the Government as it is the direct interest of our shipowners and marine insurance companies to have proper legislative remedies applied to the evils pointed out. All that is required to secure them is united and energetic action. Certainly, a Dominion claiming to be the fourth maritime power in the world should not occupy the absurd position in respect to shipping laws that we find ourselves in, more especially when we find our neighbors across the lines so well off in this particular. Our Boards of Trade had better give this subject their careful consideration.

CANADA LANDED CREDIT COMPANY.

The speech made by Judge Gowan at the annual meeting of this Company, which, by the way, was specially reported for this Journal, reflects credit on his manliness and on his honesty. As a stockholder, he thought it expedient to examine into charges passed from mouth to mouth respecting the management of the Company's affairs, and did not hesitate to come out boldly at a proper time and place and ask to be satisfied respecting them. The system of smothering dissatisfaction leads to no good and it is always best where doubts are entertained, or evils suspected, to let inquiry have full play. The stock of the Company was at a considerable discount, reasons were given for this by

brokers when the stock came to be sold, and as one interested in the prosperity of the Company, Judge Gowan naturally asked himself and just as naturally asked the Board why such was the case.

From what we know of the Company we are inclined to think that its troubles have arisen from errors in management. The Board has been too large. The Canada Permanent Building Society, the largest society in the country has a Board of eight, and the Western Canada Building Society, one of the youngest and yet one of the most prosperous societies, has a Board of seven members. Surely the Canada Landed Credit Company could do with less than sixteen. The meeting did right in deciding to reduce the number. In such institutions the work is done or should be done by the President and the Secretary, and too large a Board is only an impediment to business. We fancy the Board has been so large that what was everybody's business was nobody's business and errors passed unnoticed. When a moneyed institution is mismanaged we are always disposed to blame the Secretary or Manager in the first place and the Board in the second, the former for doing wrong and the latter for permitting it to be done. The history of the Canada Landed Credit Company is characterized by not a few blunders. It has an excellent charter and should have been just as successful as our most successful Companies. But it was a great mistake to rely on England for its money. The expense incurred in advertising there (one advertisement cost £250 stg.), the fees to brokers, the expenses of the secretary while there, made up a considerable sum. The purchase of exchange to pay interest in England is an item also not to be overlooked as it has the effect of increasing the first cost. Thus the price paid for the money that is loaned out in Canada was rendered dear, and one can imagine how small a margin was left for profit. The result is that expenses swallow up profits and place the Company in a disadvantageous position in competing with similar institutions which obtain money at less cost, and manage their affairs with more economy.

These considerations have impressed themselves on the Board of Directors, and there seems to be a determination to inaugurate a new era in the Company's history. A good beginning has been made, and we have reason to expect a more flourishing state of affairs. The Board is made up of honorable and able men, and the Company is thoroughly sound. It requires but a little care and judgment to regain public confidence, and for awakening those concerned to a sense of what reforms are needed, the stockholders are greatly indebted to the efforts of Judge Gowan.