

meeting in the board room of the Western Canada Fire Underwriters' Association. Prominent men from both East and West who met and discussed the question with a representative gathering of local managers and agents included Messrs. T. L. Morrisey, of Montreal, and John B. Laidlaw, of Toronto. During the course of the meeting there was a full discussion of the question of insurance legislation. The visitors from the East gave their views at length and explained a proposed campaign of education, which it is hoped will have the effect of forestalling the legislation complained of.

With campaign and counter-campaign in progress, there is likely to be considerable threshing out of the matter before legislation takes its final form. The extreme position of either party is scarcely likely to be accepted by Parliament—and a more satisfactory working-arrangement is likely to be arrived at if this is clearly recognized.

Rightly or wrongly, the impression got abroad last session that the manufacturers were beginning to recognize the unfairness of unlicensed foreign companies being allowed to compete unrestrictedly with companies that make deposits, pay taxes, maintain offices and field staffs and submit to governmental inspection in Canada. And at the suggestion of certain of their number, a clause was incorporated in the proposed Insurance Bill providing for the furnishing of a return and the payment of a tax on all insurance placed with companies not registered in Canada.

But apparently those who counted on any general change in heart reckoned hastily. Since the session closed, the insurance department of the association—through the columns of *Industrial Canada*—has been earnestly disclaiming any leaning towards the compromise that seemed to offer some practical solution. And this week the association as a whole, while carefully "recognizing always the principle of protection," has declared against any vestige of it being allowed to insurance companies.

It is not surprising, therefore, that underwriters who were willing to meet the manufacturers halfway are now inclined to stand for what they believe to be their full rights in the matter.

Though the manufacturers carried their resolution with an overwhelming majority it was not without some protest. Mr. A. E. Kemp, M.P., after rehearsing details in connection with the framing of the Insurance Bill, stated that, while he knew its provisions were not ideal, he believed it afforded the best way out of a difficult position—"For the insurance companies are just as much entitled to protection as we are," Mr. Kemp contended. No reference to prolonged applause is bracketed at this point in the press reports of his speech.

SIR CHRISTOPHER FURNESS instituted a co-partnership scheme some months ago, as a means of minimizing friction between employer and employed. The *Financial News*, of London, comments with satisfaction upon the report of the Furness-Withy directors, which states, "The new conditions prevailing will be productive of great benefit to all concerned, and secure a satisfactory return on the company's investment, instead of there being, as has been the case during the past two years, a serious loss."

## Our London Letter.

### GILT EDGED STOCKS IMPROVE.

**Railroad Results of 1908 Make Unfavourable Showing—Assurance Companies' Bill in Committee—Brightening of Industrial Issues—Special Correspondence of THE CHRONICLE for Week Ending September 3.**

Money in Lombard Street continues remarkably plentiful and efforts to raise the rate of discount are without avail. The news that practically all last week's big arrival of gold from the Cape (1¼ millions) had been secured for Vienna—probably, it is suggested, on Russian account—induced an effort to raise rates, but it met with no success, and the publication of this week's bank return showing that the "other deposits" have been brought up to nearly 46½ millions makes any renewed effort impossible. Money is at ½ p.c. for day to day advances, and 1 p.c. for loans for a week or longer. Two months' bills are at 1¼ p.c.; three months' at 1¾ and six months' bills at 2½ to 2 3-16. This week's bank return shows that the Bank of England dividend payable in October next will be at the rate of 9 p.c. per annum, a rate which has now ruled for some years.

### Gilt Edged Stocks More Cheerful.

The plethora of idle money has had some effect in giving a more cheerful tone to gilt edged stocks. Dealers lately have been chary of carrying much stock in this department, so that supplies are none too plentiful. Consols, now ex-dividend, have had some attention, but Irish land stock has been neglected owing to the revived rumours of a forthcoming new issue. Several of the Crown Colony stocks have been in demand and show rises on the week.

### Doleful British Railways.

The recently issued Board of Trade return of the working of the railways of the United Kingdom during 1908 sums up concisely and effectively in one document, the languishing condition of our transport system. After working railways for something over 80 years in a country where population and traffic are dense the best we can do is to pay 2.99 per cent. on all the ordinary capital invested in them. No less than 15½ p.c. of this ordinary capital had to go without any return at all; and holders of the preference stocks received an average return of only 3.42 p.c. These mediocre dividend results were achieved also, in a year when, in comparison with the railways of other countries, our railways were exceedingly fortunate in the matter of traffics. In the total receipts there was only a decline of £1,600,000 or 1½ per cent., an increase in passenger revenue of £700,000 offsetting to some extent the fall in freight receipts which went down by £2,300,000. Apart from the London tube railways, which showed, of course, a very large increase, there was a large falling off in the number of passengers carried, the decline being due to the competition of motor buses and trams in the London area and in the densely populated manufacturing districts of the north. As, in addition, the revenue from first and second class passengers has again shown a considerable falling