

## IS THERE NO CURE?

MARTIN F. TUPPER, in his celebrated "Proverbial Philosophy," asks: "Who can furnish a cause for the epidemic force of fashion?" and who, indeed, can? Fashion is the great jurist and administratrix. She makes the laws and compels their observance, she tells us what we shall eat, and we eat it, what we shall wear, and we wear it. She demonstrates what is virtue and what is vice, and as such we regard them. She changes the crime of to-day into the virtue of to-morrow, her influence being so potent, that her behests obtain all but universal and willing consent. "The epidemic force of fashion," whether it comes as a blessing or a plague, is all-powerful to work its will. At various times in the history of the world, and in different nations, fashion has made her appearance in the shape of some crime, and all readers of history are aware of the dreadful inroads she has made on the morality of the community in which she appeared in that hideous shape.

Just now in Canada we are experiencing the "epidemic force of fashion" in the shape of a crime which we seem utterly powerless to check. A number of causes, but mainly extravagance,—also the effect of fashion,—has operated to place a very large portion of our business people in difficulties, out of which they are unable to extricate themselves, but fashion has come to their aid and lent her powerful influence,—baneful influence to work out their salvation. To this end she is at present operating in two ways. In the first place she is encouraging a general repudiation of indebtedness, or rather a general system of bankruptcy and compromise, which is working infinite mischief, and in the second place she is inciting the rogues and rascals amongst us—and we should say the whole of them—to utterly destroy what little extravagance has left, in order that they may become legally, not honestly, entitled to a sum of money sufficient to pay a dividend to their creditors and set themselves up anew. The Insurance Companies assert that sixty per cent of all the fires that take place in Canada is the wilful work of those respectable ruffians who have become embarrassed financially, and who know that by applying the match they can with impunity, not only get rid of their difficulties, but secure a sufficient sum to start afresh with. If this is true, and there is too much reason to believe it, what a state of things does it reveal? Just think of a man, being so situated that it is all but impossible for the law to reach him, light a match and apply it to those fruits of some honest man's labour, which the second-rate chances to be possessed of, and burn them to ashes. And for what? that he may, with comparative safety, pick the pockets of his more honest neighbours. For however we may try to conceal the fact, defrauding an Insurance Company, of whatever class, is neither more nor less than defrauding our nearest neighbour who happens to be insured in it. And to think that such a heinous crime as this has actually become fashionable in Canada, where we boast of our civil, religious, and educational institutions as being very paragons of perfection! Oh! if we could but conjure up and chronicle all the crimes that have been committed, even here among ourselves, during the last ten years, what a record we would have!—what a book of crime for devils to laugh at, for angels to weep over! and after all, would it not be a most imperfect mirror of humanity, a mere water-tub, where fashion's visage were but dimly reflected.

But is there no cure for this fiendish work of fashion? Is there no possibility of staying this dreadful epidemic? Can the law not reach and punish the miscreant who sets fire to the house he lives in? or can the cause which induces the crime not be removed? We are decidedly of opinion that the Insurance Companies themselves possess the power to check this crying evil, if they would only act with prudence and decision. We have watched the matter closely for some time past, and made ourselves pretty well acquainted with its working; and we feel convinced that if the subject of Assurance was better understood, the evil might be overcome. The Insurance Companies want the co-operation of the wholesale trade, and without this they are almost powerless. As it is, we know for a fact, that when a "suspicious fire" occurs in the country, if the Insurance Company disputes the claim and institutes an investigation, the claimant, who is almost invariably in difficulties, and largely indebted to the wholesale trade, seldom without a number of merchants to back up his demands on the Company, who do not scruple to enforce the immediate payment of the claim on pain of withdrawing their own business from the office. We do not say that all wholesale

merchants—or even a large proportion of them—are guilty of such mean and contemptible conduct, but we know that it is far from being an exceptional occurrence, and if those gentlemen who use their influence thus, in order to defeat the ends of Justice, only knew, or could appreciate, the disastrous effect it has upon their own interests and the interests of the country, they surely would not be foolish enough to persist in such a course. An Insurance Company is not like a Government institution, at which conscientious politicians may pick as long as they can. It is a confederation of men, each owning a quantity of consumable property, who, by annual subscriptions, create a fund for the purpose of indemnifying any of the number who may, through some unforeseen accident, have his property destroyed. The premium at present charged by Insurance Companies on "good risks," say wholesale stores, do not exceed, after deducting the expense necessary to work the Institution, a quarter per cent. on the amount assured, so that if more than one store is burned out of every four hundred insured, the Company must lose money. Now we are certain that there is not a single Company doing business in Canada whether local or foreign—who can fairly balance their books for the last ten years, without showing a large loss on the Canadian business. This is the experience of every one of the English Companies, and it is patent to everybody, that the whole of the American Companies, except the old *Atua*, and one other, withdrawn from Canada on account of the heavy losses they sustained. And though the English Companies are more persistent, yet there can scarcely be a doubt that unless the business is made to pay, they will ultimately withdraw also. Indeed we believe that things have now come to such a pass, that they must either withdraw or raise the rates for Insurance, and we would not be at all surprised to hear of the leading British Companies having come to some understanding of the kind.

Is it not, then, the interest as well as the duty of every man, but especially the wholesale merchant, to co-operate with the Insurance agents in their endeavours to root out this dreadful crime of arson? The importance of Fire Insurance in the Province is only second to banking, and scarcely a heavier blow could be dealt against us than the withdrawal of the English Companies. If these matters were thoroughly impressed upon the merchants and traders of the country, we doubt not but a general reformation would be worked, and that this foul stain upon our reputation would be wiped out.

## THE BANK OF UPPER CANADA.

"To do evil that good may come," seems the maxim of one of our city papers. The *Herald* believes that Mr. Galt is the wrong man in the right place, and nothing pleases that journal better than an opportunity of canvassing his financial ability, or rather inability, and his financial fallacies. We do not object to this. The *Herald*, no doubt, has the welfare of the Province in view, and if it believes that Mr. Holton, "or any other man," would make a better "Chancellor of the Exchequer" than Mr. Galt, it is quite right in inciting a supplanting process with all its vigour. But admitting that the *Herald* is right in this view—a question on which we do not venture an opinion—is it justified in doing evil that good may come out of it? This is the question. It has become generally known that the Bank of Upper Canada, with the management of which Mr. Galt's name is closely allied by the Journal referred to, will not pay any dividend for the current half year, and the *Herald*, while admitting that this is wise and conservative policy on the part of the directorate, embraces the coveted opportunity of "exposing" the rottenness of the institution, and condemning and ridiculing its management for the purpose of destroying confidence in Mr. Galt. This is conduct which any public journalist should be ashamed of. Nothing could be more disastrous to the interest of the Province than the failure of one of our leading Banks—a circumstance which we hope and believe will never occur—and such articles as the one which we refer to, dishonest, both in principle and purpose, are the very things calculated to create such a result.

We are not desirous of being considered the champion of the Bank of Upper Canada, an institution in which we are interested only so far as it is identified with the trade of the country, but a certain respect which we have for truth-telling and fair play, compels us to say that, judging by the evidence which we possess, the Bank of Upper Canada is in as good a position

to-day as it was twelve months ago, or as it was three years ago, and even the *Herald* will not deny that under Mr. Cassels' management the lands and other property which it holds has been valued with as much fairness, and the result placed before the public with as much frankness, as those of any other institution in the Province. But we will defer making any remarks on the position of the Bank until after the Directors' report has appeared, when we will take an opportunity of again placing the matter before our readers.

As far as we are concerned ourselves, the *Herald*—or any other journal—is quite at liberty to make as many accusations against us—of bolstering up Stocks, &c.—as may satisfy the appetite it has got for such things. We do not think our reputation will suffer much on this account, unless indeed the disease from which so many of our public journals appear to be suffering is taken, in which case it may be dangerous to come in contact with persons so affected.

The remarks we before made on the Bank of Upper Canada, and which the *Herald* characterises as a spasmodic attempt to bolster up the stock, were as follows:—

"In view of the depreciation in the market value of the stock of this Bank, it becomes particularly interesting for only to know who are the chief stockholders, but also to observe whether they and other people likely to know the true state of the Bank's affairs are buying in or selling out. For this purpose we have procured one of the lists published in 1861, and are thus enabled to make our tables comparative. Carrying out our plan of giving the names of all stockholders owning \$20,000 worth of stock (nominal), or, in this case, 636 shares, we have the annexed statement."

Name	Residence.	Shares held in 1865.	Shares held in 1861.
Burshall, Ed.	Quebec.	805	None.
Cassels, R. (trustee).	Toronto.	2031	None.
C. & D. Savings-Bk.	Montreal.	723	None.
Street, T. C.	Niagara Falls	1176	721
Turner, C. H.	England.	770	770

The list, since the reduction of the shares from \$50 to \$20, is but small, yet it should give some confidence to the holders of stock. Mr. Burshall, of Quebec, is a man who has means of knowing the prospects of the Bank; so, surely, has the City and District Savings Bank, with whose management Mr. Simpson and Mr. Starnes are, we believe, connected, and so certainly has Mr. Street, himself the President of a Bank which has successfully emerged from an exact like that through which the Bank of Upper Canada is now passing. Mr. Cassels, the new Manager of the Bank, of course holds a number of shares as trustee, but he also owns 70 in his own name, bought since 1861. To carry out our idea a little further, we proceed to give a few other names of leading shareholders.

Name.	Residence.	Shares held in 1865.	Shares held in 1861.
Bosanquet, Rich. Godf.	London, Eng.	200	200
Cameron, Hon. H.	Toronto	537	637
Foot, S. B.	Quebec	133	None.
Glynn, Geo. G., M.P.	London, Eng.	500	600
& Glynn, St. Leger, R.	Toronto.	234	63
Gzowski, C. S.	Toronto.	467	467
Hamilton, George.	England.	270	540
Heath, J. G., deceased.	Quebec	140	None.
Joseph, A.	Kingston.	153	153
Kirkpatrick, Thomas	London.	642	435
Macbeth, George.	Montreal.	333	148
Fire and Life Ass. Co.	Quebec.	200	None.
McGreavy, Thomas.	Toronto.	63	40
Ridout, J. W.	St. Davids.	648	432
Woodruff, Richard.	Quebec.	267	61
Wurtelo, R. V.			

"The inference appears to follow from the above facts, that the persons who have been selling are not the large capitalists, but the small holders, whose fears have got the better of their judgment. The estate of Mr. Heath (late of Rednall, Staffordshire, England), which has reduced its shares, has done so in pursuance of a policy now being carried out with reference to other Canadian bank-stock held by that gentleman, and not from any greater distrust of B. U. C. shares than of shares in the other Banks of the Province. When the Glyns, the Bosanquets, the Gzowskis, and the Streets hold or buy in, the shareholders at large ought, we think, to avoid sacrificing their property."

Of the truthfulness of these statements our readers can satisfy themselves by referring to the "Returns of the Banks of the Province," since issued by order of the Government, and of the soundness of the conclusions we have drawn from the facts which will be found there, a very moderate supply of common sense will enable anybody to judge.

We do not object to the *Herald's* making any use it pleases of the figures we have furnished, neither will we be dissatisfied with any comments which it may make on our remarks, but we always will object to any journal, of whatever party, attempting to sacrifice one of our most important financial institutions at that shrine on which many vital interests have already been consumed—the accursed shrine of Canadian politics.