

lain of New York, relating to charges made in 1887 by Mr. Theodore M. Banta, at that time treasurer of the New York Life, against certain persons connected with the management of the company. The charges in question were submitted to a committee of the trustees of that great life office, and, having so submitted them, under the advice of Mr. Chamberlain, his counsel, Mr. Banta left with this committee the responsibility of dealing with the charges in a manner befitting their gravity. They were grave charges, for they alleged corrupt mismanagement and cited official misdeeds. Mr. Chamberlain's version of them has been published in the *New York Times*.

The reason alleged on the part of the trustees for not making these matters public and taking steps to punish the wrongdoers is that to have done so would have injured rather than benefited the company. Whatever may be thought of this contention, it is clear that now, since further nushing up is not possible, some action must be taken by the trustees of the company to sift the evidence upon which these charges rest, and do something to punish those who may be found guilty. The *New York Daily Bulletin*, in an article upon the subject, says that while "it may be only just towards the trustees to hold judgment in suspense as to their hushing up such grave allegations," yet it seems "impossible to escape the conclusion that the examination of the Banta charges, made by a committee of trustees some four years ago, was not such as their gravity, and in most cases their undisputed validity, demanded." Those charges having at last been made public, that journal argues, from this point silence becomes suicidal. "The policyholders and the public at large have a right to expect from such a body of men as constitute the trustees of the New York Life that a new investigation shall be promptly undertaken that will unsparingly probe to the bottom all charges that have been or may be alleged against the management of the company."

An investigation is to be made, we understand, by the Insurance Department of the State. But it is pointed out that the matters charged by Mr. Banta relate for the most part to things over which an insurance examiner has no jurisdiction, and more close enquiry is due by the authorities of the companies themselves to determine what have been the real methods and character of the men associated in the management which is now impugned. Mr. Chamberlain's letter to Mr. Banta, dated 24th January, 1888, contains several of the charges. We copy from his letter, as printed in *The Chronicle*, of New York:

... I find that several of the most important charges are substantially proved or admitted in the testimony taken by the committee. I regard as substantially proved or admitted the following of your specifications:

Nos. 3 and 4, relating to an agent named Dinkelspiel in this city. (These charges appear in Cashier Banta's circular as follows: "3. They have given the most prominent general agency to a most notorious gambler, whose business has been procured by the most glaring misrepresentations and by the most excessive rebates, which have been authorized by the company. They have advanced him money over and above the enormous rates allowed by his contract until his account has overdrawn over \$300,000. 4. They have

allowed the interest on the mortgage of said agent to remain unpaid nearly three years without taking any steps to collect it.")

No. 7, relating to expenditures under the guise of "law expenses," amounting since 1879 to some \$128,000, a sum apparently not paid for ordinary legal services nor for any other services which were explained. (The charge to which this refers is as follows: "7. They have spent immense sums under the name of 'law expenses,' presumptively in corrupting legislatures, to defeat investigations and to procure the passage of laws making speculation in stocks more easy.")

"17. They have directed stock belonging to the company in the [Manhattan] safe deposit company to be transferred to a brother-in-law of the president and others to qualify them as directors in that corporation—though they were never actual stockholders—and have directed the falsification of the books of that company by antedating the transfers so as to make it appear they were stockholders at the date of their election.")

"18. In violation of the law which prohibits any director from receiving any compensation for selling securities to or for his company, they have bought and sold over \$20,000,000 of bonds and stocks in the past four or five years through a member of the finance committee, who has not only received the ordinary commission fixed by the exchange, but, in cases, very much in excess of that rate.")

The following are some of the conclusions of the committee in 1888 on the entire statement made by Mr. Banta:

"Your committee, after careful investigation of the affairs of this company by every means in their power, have satisfied themselves that the officers of the company have honestly endeavored to administer the affairs of the company with a single eye to the good of the company. No instance has been brought to our attention where any pecuniary advantage of a personal kind has been brought home to the officers in any act on their part.

"Your committee, therefore, without hesitation report that there is no evidence whatever of bad faith or fraudulent dealing on the part of the officers, but on the contrary, there is evidence of the utmost good faith and zeal on their part for the welfare of the interest committed to their charge."

"Finally, your committee express their gratification that these charges have brought about this investigation, the result of which has strengthened in the minds of your committee the confidence which we have heretofore felt in the management and in the good faith and ability of the officers." The names of the investigating committee are: John N. Stearns, W. L. Storg, John Claffin, Richard Muser, C. C. Baldwin, and their report was accepted and unanimously adopted by the Board of Trustees.

—Among the "Business Notes" in the last issue received of the *London Economist* we find, under the heading "Federationist Fancies," the following: "That Mr. Howard Vincent is prone to magnify himself everybody knows. Nothing, however, in the way of self-exaltation he has attempted here equals the pretentious assumption of authority in which he indulged at a recent meeting in Montreal, where he is reported by the *MONETARY TIMES* to have claimed to be 'authorized by the masses of Great Britain' to say that if Canada would give a preference to British goods 'the majority of the people of Great Britain will welcome her products free, while the American will be taxed.' If Mr. Vincent were to indulge in language of this kind at home, people would know how to appraise it at its true value, and would simply laugh at him. But as his peculiarities are not so well known in the colonies, it may be as well to say that the idea of Mr. Vincent claiming to have the authority of the 'masses of Great Britain' to say either one thing or another is simply grotesque,

and that it is charitable to assume that in declaring that this country is ready to establish a system of differential duties he was the victim of an illusion. For certainly nothing could be further from the truth."

THE BRITISH MONEY MARKET.

For the first fortnight of August the British money market appears to have been quiet and featureless. Loanable capital was by no means scarce and discount rates ruled weak.

There are signs, however, that an upward impulse to rates may soon be given by gold withdrawals, which are foreshadowed by the *Economist* thus: "The German exchange has already fallen almost to the point which would admit of gold being taken hence, and will probably fall lower, because the Bank of Germany must be anxious to strengthen itself in view of the heavier calls that are likely to be made upon its stock of the metal in consequence of the stoppage of the Russian supplies of rye. Then the Bank of France is now being called upon to furnish gold for export in payment of cereal imports, and it is to be expected that we also will be compelled to ship gold to the United States. Further shipments, too, must probably be made to South America to pay for exports thence, since, owing to the prevailing unsettlement and distrust, it is difficult to finance bills." That journal sees reason to believe that rates for money will shortly begin to rise, and signs are not wanting of dearer money on this side of the Atlantic.

PORTFOLIO EDITION, THE MONETARY TIMES.

On several occasions reference has been made editorially to the work in preparation under the above title. Some of our readers appear to have supposed that this was like our Christmas Number of 1887; others that it was a sort of extra picture paper, containing census figures. It is neither. It is an oblong quarto of 117 pages, bound in maroon morocco, gilt, and illustrated by numerous large photo-engravings. It contains letter-press descriptions of Canadian cities, Canadian financial institutions, Canadian industries, and the like, with statistics added which in many cases serve to illustrate the text, and with historical sketches of the growth of Canada in general, as well as of the rise and progress of the National Policy in particular.

It was thought that respectable patronage could be secured for a descriptive work of this kind which should contain intelligent sketches of various financial, commercial, and industrial interests, but which should at the same time avoid undue praise of special concerns or glorification of particular persons, which has of late been carried to such an extent as to become most offensive to good taste. That the enterprise commended itself to very many of the best business men in all parts of Canada, is evident from the fact that their advertisements appear in its pages. We publish in to-day's issue of this journal the cards of all those whose advertisements have a place in the book, whether banks and loan companies, or merchants and manufacturers. A glance at these will convince the reader that a careful discrimination has been used in canvassing for advertisements; and we feel confident that a perusal of the book will show that in tone, as well as in correctness of information, it is not unworthy of its title.

The publishers take some pride in the typographical appearance of the book. So far as a