

the information in possession of the public is, to say the least, very meagre. One thing is clear, viz., that the government of the United States was not at that time prepared to negotiate, although quite willing to ascertain how much Canada could be induced to yield in order to obtain reciprocal free trade in the articles embraced in the reciprocity treaty of 1854. The time selected by the government for renewing their efforts was by no means well-chosen. The reciprocity measure had been discussed but a very short time previously by the Joint High Commission, and there can be no doubt that no effort was spared by the British Commissioners to induce those of the United States to negotiate on the subject. Moreover, it was absolutely necessary that one branch of the old treaty, viz., the fishery question, should be disposed of. Notwithstanding all their efforts, it was found impossible to induce the United States to negotiate on any subject but the fisheries, and the way in which that question has been disposed of is calculated to excite intense disgust throughout Canada. We have surrendered our valuable fisheries, not as in the former treaty in exchange for reciprocal trade, but for a money consideration to be decided on by a commission which has not yet sat, although it is nearly two years, if we are not mistaken, since our Canadian commissioner was appointed. Pending a satisfactory settlement of the fishery question we doubt the possibility of any useful negotiation regarding reciprocity. When, however, it was announced that Mr. Brown had been appointed to proceed to Washington hopes were very generally entertained that some encouragement had been given by the United States government, and when rumors of the possibility of a satisfactory arrangement reached us the public mind was considerably excited. It soon became manifest that the United States government had taken care not to incur any responsibility beyond that of receiving a proposal and submitting it to the Senate, by which body it was treated with marked contempt. We do not believe that our government would, after such a result, make any further effort on the subject without having full assurance that the United States government was prepared to enter into a *bona fide* negotiation. As we have already stated the present is a most unfavorable time for taking any action whatever on the subject, and we therefore deprecate all reference to it by Canadian Boards of Trade. It is for the press and commercial people of the United States to stir up public opinion there and to influence their people, if it be possible

to do so, to put the necessary pressure on their government. We are pleased to observe that the New York *Bulletin* is lending its powerful influence against the exclusive policy (Chinese policy it terms it) which has so long been observed towards Canada. The United States press generally is doing good service and preparing the way for a more liberal policy. We believe the less we interfere in the discussion the better, and that the wisest course that we can adopt is to direct our efforts to the prompt settlement of the fishery question.

LIFE INSURANCE.

There can be little doubt that the life assurance question will occupy the attention of Parliament during the approaching session. There is, we are inclined to think, a very general opinion that Canadian policy-holders require more protection than they at present enjoy from foreign companies. The extent to which these companies have done business in Canada has led many to think that it would be desirable for the government to assume this business, and it is contended that there would be no more difficulty in their doing so than in carrying on a savings bank business or in granting life annuities. The subject is one which is well worthy of discussion, and we therefore cheerfully gave insertion in our last number to a letter advocating Government Life Insurance. We own that we are not yet convinced of the expediency of such a measure. Life assurance companies are subject to frequent losses by fraudulent insurers, and the government would neither exercise the same vigilance as a private company nor would it be able to protect itself as well. We trust that whatever may be the opinion of Parliament regarding the expediency of entrusting government with the business, it will not omit to take effectual means of securing from foreign companies adequate protection for Canadian policy-holders.

BRITISH INSURANCE RETROSPECT.

Another year of insurance history has closed in England, and we deem the season opportune for a rapid glance at recent events there, in relation to the companies carrying on the life and the fire branches of underwriting.

For some years past no startling failure has occurred in either the fire or life business, the retirements being confined there, as on this side of the ocean, to a class of offices scarce out of their swaddling clothes—youthful, struggling, expensive, doubtful.

During the two years just passed fourteen new fire insurance companies made their appearance upon the register, and an exactly equal number of offices bade us good-bye, through insolvency, or through voluntary transfers of their business to other offices. Two or three of the defunct corporations only came into existence within the two years, and the others were not remarkable for either age, previous good standing, or special knowledge of the business they undertook to transact, on the part of their ambitious officers. The fire business of the United Kingdom, as a whole, however, under the skilful management of the experienced offices, have lately yielded very satisfactory results to the shareholders.

In the Life branch the formation of new offices has been almost nil for the past six years, consequent upon the adoption in 1870, by the British Government, of the American system of requiring a £20,000 sterling deposit as a pledge of good faith, on the part of new companies desiring to underwrite life risks. This prudential measure has put a severe check upon the formation of offices by irresponsible parties, for the purpose of dishonest speculation. Only one really new company has been originated since the Act came into operation in 1870, viz., the Scottish Metropolitan, founded in April last. In the previous year, 1875, the Briton was registered, and deposited £20,000, but this was done for the purpose of saving the Briton Medical and General, by taking over its old business for collection upon commission, and using its agency connections in getting new business, the management remaining virtually the same. But while only two new companies, at most, have come upon the stage in the six years, the other side of the sheet bears a heavier record. No less than eight offices have given up the struggle during the past two years alone, and this is a smaller number than usual in the same space of time. All were young. Not one lived to see its tenth birth-day. The Manchester Provident was nine years old when its providential course terminated; the British Imperial, and the British Guardian, each accepted the imperial guardianship of the Court of Chancery in their eighth year; the British Provident, and the National Funds alike became exhausted in five years from birth; the Ark of Scotland shivered its timbers in four years, and the New Amicable in two years, while the Lion, formed in 1874, ceased its gentle roar and hid its head in Chancery in 1875.

This record of disappointed hopes is not so formidable a matter, or so calculated to