

good security if they part with the money of their stockholders. We don't see how any reasonable man of business can object to that. Sound traders who have good paper to offer can get such paper discounted without difficulty.

The failure of a large private banking establishment in Western Ontario, has created some excitement in business circles recently. The business had numerous collateral branches and ramifications, some of which appear to stand rather on an independent footing than otherwise.

The business of private banking has been developed in a remarkable degree of late years. We are passing through an experimental period with regard to it, and time will show which of the firms doing this business have conducted it prudently. Such of these firms as have been rendering valuable service to the business community will no doubt be able to continue in business. It will probably be a case of the survival of the fittest—a law which seems to prevail in every department of active life.

One thing is certain, banking is a business which requires experience as well as capital, prudence and foresight not less than integrity. Failure in any one of these is fatal. We may have something further to say with regard to private banking in an early issue. Our usual summary is appended.

31st August, 1883. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in Maritime Provs.	Total.
	\$	\$	\$	\$
Capital paid up ..	36,769	18,167	6,579	61,515
Circulation	17,269	10,907	3,943	32,119
Deposits	54,949	42,703	10,171	107,823
Loans & discounts..	90,280	66,729	18,498	175,507
Cash and foreign balances (Net)...	22,789	7,743	1,918	32,450

30th August, 1884. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in Maritime Provs.	Total.
	\$	\$	\$	\$
Capital paid up....	36,302	18,824	6,380	61,506
Circulation	15,695	9,571	3,871	29,137
Deposits	51,577	37,660	10,640	99,877
Loans & Discounts..	85,686	62,400	18,330	166,416
Cash and Foreign Balances (Net)...	23,188	8,044	2,603	33,835

LUMBER.

Some uncertainty of feeling has pervaded the lumber trade for a few weeks, owing to the comparative lack of American demand. The approaching election in the United States had disturbed business and delayed intending purchasers, while a feeling that prices were likely to be lower rendered dealers the less disposed to buy. This feeling is being dissipated, however, since the meeting of producers at Saginaw the other day, when the mill-men agreed to shut down for a certain season, and so restrict stocks. In Canada, too, there are signs of a lessened out-put from various causes. The Georgian Bay Lumber Co., for instance, will limit its cut of logs the coming winter to one half its usual quantity, while the British Canadian Lumber Company may be looked upon as out of the running for the season, so that in the western section of

Ontario, less will probably be got out. And we do not think that any lavish policy is likely to be pursued by operators in the Ottawa territory. Prices of choice pine lumber may be said to be well maintained, and meet some enquiry. The principal transactions in the Toronto market have been in coarse grades, of which fair shipments have been made.

A. O. U. W.; CO-OPERATIVES, "MUTUAL UNIONS," "MUTUAL BENEFITS," INDUSTRIAL UNIONS;
C. O. O. F.; M. U., &c., &c.

When Mr. Cornelius Walford, Fellow of the Institute of Actuaries of Great Britain, and recognized as one of the most eminent authorities on life insurance in the world, was in this city lately, a representative of this journal took the opportunity to obtain his views and ideas on the co-operative system of life insurance as worked by many societies on this continent. Mr. Walford frankly stated his opinion that, after carefully investigating the plans upon which they worked, it was impossible for any of them to remain in existence many years. The reasons he gave for this were plain and simple, and corroborate the views so often expressed in the columns of this journal as to the unsoundness of the co-operative plans of insurance. He stated that the system pursued here was an obsolete one in England and it was generations since that form of insurance had been exploded, with many other bubbles, in England; and the idea that the Friendly Societies in England and the co-operatives here were the same thing, was entirely erroneous, for in working and plan they were wholly different.

In reply to the questions:

"Do you think it an impossibility for any assessment society to succeed?" Mr. Walford said:—

No, I certainly do not, provided the fundamental principles governing the business be fully and properly recognized, but these very important principles seem to be entirely disregarded by the assessment societies working on this continent and to which my attention has been especially called.

"Then do you mean to say that the co-operative system does not present permanent security to its policy-holders, as is done by the regular incorporated companies?"

Most certainly I do, and hence it surprises me very much that on this continent, with its intelligent populations, who claim to be well informed on most of these matters, that the co-operative system, so long exploded in England, should attain to the least degree of favor in this country.

"Am I to understand that there are no co-operative societies working in England at the present time?"

There are very many societies working somewhat on that principle, but not as life insurance societies; there are what we term Friendly Societies, but I am obliged to add that a very large proportion of these societies is regarded as entirely unsound.

MONDAY, 1st December next, has been fixed by the Court, as the day within which, creditors of the Exchange Bank and others having claims upon it, are to send in their claims, accompanied by the necessary vouchers, to the liquidators.

INSURANCE MEN IN COUNCIL.

It is now nearly a year since the tariff of insurance rates adopted by the Canadian Fire Underwriters' Association went into force. It being a *minimum*, and not a schedule tariff, not a few inconsistencies in the ratings must necessarily be found. The companies have had a year's experience of an Association, and from all we can learn, no tariff combination has ever worked with so little friction as the Canadian Board of Underwriters. The reason of this is to be found principally in the wisdom shown by the companies in framing the tariff of rates on the various classes of risks, with due regard to the several degrees of hazard—allowances being made in each case for any improvement that one risk had over another of the same class. The ample powers given to the executive contributed much to the success of the Association.

The companies hold a special general meeting in Montreal this week, for the purpose of comparing notes, rectifying any errors that may have been made, and perfecting the organization which has recently been extended over the Province of Quebec, including the City of Montreal. The public have taken very kindly to the moderate advance of rates in ordinary risks. The advance on special risks has been very much larger; but allowance for various kinds of improvements in these, and the rates on such as have made improvements are very little, if any, in advance of the old rates.

The chairman of the gathering is Mr. G. F. C. Smith, chief agent for the Dominion of the Liverpool & London & Globe Insurance Co.; Mr. J. J. Kenny, of Toronto, occupies one of the vice-chairs, Mr. J. W. Taylor, of Montreal, the other. Mr. Robert McLean, of Toronto, permanent secretary of the association, acts as secretary. The chairman, in his opening address, made some pointed remarks upon the occasion that had called them together. He reviewed the work of the association since its foundation, and what was to be expected from it in the future, while congratulating the members upon the harmony and good feeling shown in their business intercourse. We shall have, next week, some report of the proceedings of the Montreal meeting.

FACTS VERSUS OPINIONS.

It appears that a man may even die of excessive drinking and yet his friends express the opinion that he never drank to excess, and the person himself contend while yet living that he was "a strictly temperate man." A case of this kind arose in England, where one Weems, who was insured in the Standard Life Company for £1,500 died in 1882 of a liver disease, generally produced by excessive drinking. In replying to the question in the application for insurance, "Are you temperate in your habits?" Weems replied "Temperate." And to the question "Have you always been strictly so?" he wrote in reply, "Yes." That a man so describing himself should have a 'whiskey liver' and die from the effects of it, seemed to the Company too gross a misrepresentation, and they declined to pay the