

advances to labour. What the advance of a quarter cent per hundred pounds would mean to the transportation companies can only be realized by those who are familiar with the wonderful amount of freight now moving?

Money still continues to be in good and on some days in urgent demand. The statement that the Secretary of the Treasury would not accept any more municipal bonds caused a spasm, but the returns show that money is beginning to flow freely back to Chicago, and it will not be long before this movement is felt in this quarter. Exchange also keeps up near to the point at which shipments of gold can be made, but so far no engagements have been reported, and with the decline in the market it is not improbable that foreign purchases of stocks will prevent such shipments for some time to come.

The statement of the Southern Pacific for the year ending June 30, makes a most remarkable showing, and states that there is a deficit of \$994,876, on the operations of the year, against a surplus of \$3,456,560 last year. The charge for betterments last year was \$6,782, while this year the amount for betterments, additions, reconstruction, and equipment was the enormous sum of \$11,536,347. The Company has also decided, it is stated, not to issue the \$25,000,000 of Bonds, that at one time it contemplated.

The improvements made are permanent, and will put this property in a position to handle its business on a much more economical basis than it has been able to do heretofore, and largely increase its earnings, which hereafter, should go, in part at least, to dividends on the stock.

Rumour has it that a campaign is being waged against a western operator, who had the temerity to purchase a railroad and endeavour to extend it; to what extent the move will be successful remains to be seen. One thing, however, seems evident to us, and that is that parties with funds can begin to make investments.

The market has been up and down all day, and closes with a better tone and somewhat up from the lowest.

## LONDON LETTER.

### FINANCE.

London, 30th Oct., 1902.

Mining speculation in London seems "deader" than ever. It was hoped by people interested in South Africans, that upon Parliament reassembling for the special autumn session, to catch up arrears of business, some definite statement would have been made about the proposed taxation of the mines of the Rand. These have not been made.

Instead, however, Mr. Chamberlain will proceed on a journey to the Cape and the Transvaal, to see for himself how the land lies. This will postpone definite announcements for another half year very likely. The visit, itself, is pretty universally applauded and the decision to undertake it has won over many of the Colonial minister's political antagonists.

The "big Kaffir houses," the Benjies of Johannesburg and Park Lane, as they are beginning to be called, who have done their level best to intensify the depression all the way through, are anything but pleased with the honourable gentleman's decision. Their attitude of sulkiness is difficult to understand, but the way in which they avoid supporting the market is too evident to doubt.

This, of course, is in reference to the Kaffir Circus. But nothing livelier or more hopeful can be seen when you turn to the section devoted to trafficking in West Australian shares. Here also is deadly dullness.

Yet, three years ago, this market was at the height of popularity. Records from the mines were absolutely marvellous in their richness, and fabulous fortunes seemed likely to be made.

Gradually their edifice fell to pieces. The methods of Whitaker Wright, Horatio Bottomley and Frank Gardner were weighed and found very much wanting. It was discovered that rich ore had been carefully sorted out and crushed instead of taking rock as it came, and production in other ways was artificially stimulated to a degree which became expensive and exhaustive. Soon the slump came, and the public lost very heavily. Now that the gold mining returns begin to look rosy again there is still sufficient suspicion on the part of the public to prevent it taking any interest in the once popular market.

It is not surprising that the price of consols also keeps on sinking these bad times. It has now touched 92½, and thus it is not very far short of the lowest on record. Everywhere there seems to have been selling of our premier security at home, on the Continent and in America. There is, however, still a very large speculative account for the rise upon and this tends to check advances which would otherwise be made. The conversion next year to a 2½ per cent. basis is also something which does not please the small investor.

### INSURANCE.

Searching out for new channels of business, one of the younger life and general assurance companies has made a specialty of insuring football teams against all accidents in or connected with the playing fields. For the sum of \$125 per team, each member is covered against disablement or death up to a certain figure. No classification of clubs has, however, been attempted, and certainly the experience is that some footballing aggregations have a much greater facility for sustaining damage than have others.

The ratio of damage generally is so high that footballers might well be put on the category of the almost insurable, unless we find aerial navigators, steeple-jacks and people engaged in the manufacture of explosives.

This new development here seems to suggest us a sort of bye-product that the classification of people from the standpoint of their regular occupation should have the additional modifying factor of pastime also introduced.

I wonder if anyone has yet found the limit of commission paid by some offices for new life business. According to the printed particulars, one per cent. is the utmost allowed by judging by the rebates given by certain agents, or by the number of intermediaries who sometimes stand between the insurer and the company; it must sometimes come to nearly half the first premium.

The limit of commission probably approximate to that other unknown quality the "limit of endurance" which Mr. Arthur Balfour, now premier, familiarized us with during the Parliamentary discussion over the peace riots during the late war. The newest offices are the most extravagant.

I am very glad to see that W. W. B. Meikle is on the London Board of the Canada Life. His charm of manner impresses everyone who meets him in connection with business or outside it. His influence has been very valuable to the Western of Toronto in its British department.

Mr. A. D. Cheyne also is an acquisition as branch manager, he already having had extended and responsible experience.

Headquarters have been secured in the heart of the city, and with the Earl of Aberdeen as chairman of our branch the society will start with a good hold on the west end.

The problem of the fire insurance company dealing with specialized risks is a growing one. Look, for example, at the comparative rarity of churches and chapels in the books of general offices. These largely hazardous risks go gradually into the arms of fire companies formed in connection with the various religious congregations or sects.

Apart from so many of these first-class risks going this way there is the added drain, that sooner or later the