

vernment should take the business of insurance into its own hands. This opinion has a number of advocates in every community. We have observed that invariably they are of those who have never devoted any special study to the subject of insurance. As there is no prospect of an attempt being made to put in practice these suggestions we need not discuss them at length. It is as well to mention the fact that the British Government have already put on its trial a system of Government Life Insurance with the most meagre results. The greater enterprise and skill brought to bear by the life companies have always prevented any considerable business being transacted over the Government counter. It is a well known fact that life insurance usually seeks the individual; only a small minority seek life insurance of their own motion without being incited thereto by agents, advertisements and pamphlets. None of these potent instrumentalities are brought to bear by the Government which invariably "cares for none of these things." Unless a sufficient number of risks are obtained to secure an average of lives it is best not to attempt life insurance at all.

As applied to fire insurance the chapter of experience is more fully written; but with results scarcely more flattering. Laws have been passed by various States of the American Union, including California, Illinois and Wisconsin, providing the organization thought to be necessary for carrying on a system of State insurance. In all these cases an individual liability-clause on the plan of mutual companies was inserted in the policy; only those who were insured being liable for taxation for losses. But although these laws have been long in force they seem to have remained a dead letter. There must have been a general lack of faith in this method of protection. The difficulty of maintaining proceedings against a municipal corporation, or, in the event of recovery, of collecting an execution probably affords some explanation of the fact just stated. From a report on the subject by the President of the United States Board of Fire Underwriters made in compliance with a request from the Insurance Commissioner of Massachusetts we take the following interesting extract:—

"In the old world in the kingdoms of Bavaria, Saxony and Wurtemberg, and to some extent in Switzerland and parts of Prussia, the system of State or Governmental insurance prevails. In Saxony, until recently, it has been compulsory so far as it relates to dwellings, each insurer being assessed his *pro rata* for any loss within the State, such *pro rata* being based upon the Government's appraised value of his house. When, as it appears from the official reports, that within the last twenty years, no less than fifteen of the minor cities have been destroyed by fire in one of the minor Provinces

of Saxony, and that other heavy losses have occurred in other cities—the nature of the amount of assessment can be imagined, and it is not to be wondered at that the citizens of Leipsic and Dresden, who must naturally have to bear the larger part of the burden, have been agitating for relief from what they style a "ruinous system." The aggregate of these losses has also exceeded, by a million of dollars, the amount taxed to the citizens, the State bearing this extra burden. If such be the result, after long trial, in the cities of the old world, where the most rigid Governmental inspection is kept up in regard to lights, fires, stoves, fire places, etc., and where even the kind of lamps to be used are prescribed by law, what would it be in the commonwealth of Massachusetts, whose cities are so largely constructed of wood and other inflammable materials, and whose recent experiences have been so disastrous? And where, if I mistake not the character of its people, there is certain to be resistance to any attempt to restrain the liberty of a citizen from heating and lighting his own dwelling with such material as he may elect. I would also add that, in a majority of the cases referred to, Governmental insurance is restricted to risks below the grade of extra hazardous."

We have no doubt that economy and effectiveness can best be combined in joint-stock enterprises, and that any attempt by Government to supplant these corporations would prove unsatisfactory for both insurer and insured.

VALIANT.—Some doughty knight of the quill, writing editorially in the Dundas *True Banner*, has pounced upon the Bank of Commerce and Mr. W. N. Anderson, the Cashier, much as a relentless henhawk upon a diminutive chicken. Somebody has not had all the accommodation they wanted, and therefore the Bank, if not utterly discredited and extinguished, must at least be expelled from the place. For that reason the Institution "is a decided injury to the town," is "a drag upon its energies," and furnishes conclusive proof that Mr. Anderson hates the place, and is determined to have his revenge. All this, if said in better humor, would be very funny, but it is evident the editor is in a passion. It would be useless to reason with him. The Bank promised "all sorts of accommodation," he says, on coming there, and he is bound to have it. We suggest for the consideration of the *True Banner* man, in his calmer moments, these facts:—1. The Bank promised no such thing as "all sorts of accommodation"; for no banker would be stupid enough to do it. 2. The Bank in question has plenty of money to lend, but none to give away, and like any other bank similarly situated, is always glad to get sound, legitimate commercial paper on which to lend it. 3. More than one bank has tried the town of Dundas, but all, except the Bank of Commerce, have taken themselves out of that enterprising gully not much better off than they went in—whether because the *True Banner* is printed there, or not, we cannot say.

MONEY.—Money is a drug in New York; there is a large unemployed surplus, although offered as low as 2 to 3½ per cent. The New York banks are exceptionally strong, having a reserve of nearly \$90,000,000, or about \$22,000,000 more than the 25 per cent. required by law to be held. Mercantile paper is very easily discounted at 5 to 6 per cent., with only a small supply offering. In England the Bank rate is maintained firmly at 3½, with a reserve on the 14th February of £12,193,000, against £15,123,000 at the corresponding date of last year. At the same date the Bank rates of discount in the following cities were: Paris, 5 per cent.; Berlin, 4; Bremen, 5; Frankfort, 3½; Amsterdam, 4; Brussels, 4; Leipzig, 4½; Vienna, 5; St. Petersburg, 6½. Money in our chief cities is seductively easy, but there are few borrowers. Some of the smaller banks have been lending in Montreal on call at 5 per cent., but the larger banks decline to compete, and will not lend under 6 on call. They are satisfied that another month will disclose a legitimate demand for money, and to place it on the street now is only to foster speculation. It is much more expedient to lose a little for the time, from money lying idle, than to put it into the hands of speculators to make bad debts with. Exchange is without demand; and in fact money matters are at a stand-still so far as the banks generally are concerned.

SUN MUTUAL LIFE.—In a previous issue we indicated the results which the annual report of this Company, published in in another column, would show. The figures and statements of the report fully bear out the favorable comments we then made, and it is only necessary to commend the report to the careful perusal of all our readers who feel an interest in the important subject of life insurance.

A VICTIM OF SPECULATION.

Last week there was accompanied to its last resting-place, by many former conferees in business, the body of one who, some years ago, occupied the most prominent position in the grain trade of this city, and who, by his talents, energy, and public spirit, was rapidly rising into prominence as one of the leading men of the country.

Mr. T. C. Chisholm, when a comparatively young man, had, while in partnership with Mr. Hagaman, of Oswego, achieved a position of prominence in the trade, and handled very large quantities of the grain produced in the western section of Ontario. He continued a successful course of business enterprise on his own account, and, notwithstanding the many uncertainties of the trade, had built up a capital which enabled him to take part in various enter-