

ever may be the consequences, whether loss of prestige, loss of popularity or loss of power, I feel that I am in the right, and I know that a time will come when every man, my hon. friend—M. Bourassa—himself included, will render me full justice in that respect." While conceding to M. Bourassa the right to believe that the war is unjust, he said, "I for my part am just as fully convinced in my heart and conscience that there never was a juster war on the part of England, than that war." But the most important thing said by the Premier was in reply to what would happen in future British wars. His answer was, "that if it should be the will of the people of Canada, at any future stage, to take part in any war of England, the people of Canada will have to have their way."

The Legislature of the province of Quebec has before it the question of the abolition of the Legislative Council, to which, when in opposition, the party now in power partly committed itself, without much reflection or any serious demand from the electorate. A resolution in favor of abolition has been proposed by Premier Marchand; it remains to be seen whether this action means anything more than a supposed necessity of fulfilling an ante-election pledge. The argument that \$35,000 a year would be saved by abolition, does not affect the utility of the institution. The onus lies on the abolitionists to show that the second chamber has no proper part in the constitutional system of that province, and that the best form of legislature is a democracy without check or balance. Till this proof is forthcoming, the question of saving cannot properly be heard. The mere fact of saving does not justify the excision of a member which may be necessary to the efficient action of the legislative machine. If the member be in a state of atrophy, its excision would be no sacrifice. But is that its actual condition? Is its utility not equal to its cost? There can be no abolition without the consent of the Legislative Council. Is that body prepared to commit suicide? On a previous occasion, Hon. M. Joly, an abolitionist, admitted that the body to be affected was not ready to sanction its own strangulation. In Quebec, the Legislative Council was intended as a protection for the minority, and from this point of view its abolition would be a serious step.

MORTGAGE COMPANY AMALGAMATION.

The latest annual meetings of the four companies which are to constitute the Canada Permanent and Western Canada Mortgage Corporation have now been held, and the basis of valuation at which the assets of each are to be taken over has been made known. The result, while it has been acquiesced in by all, has not in every case met the expectations of those most interested. For while the securities of the Canada Permanent make a showing in the return of the Amalgamation Committee confirmatory of the estimate of value placed upon them by its own directors, the other companies concerned in the amalgamation do not come out equally well. The London and Ontario suffers a slight reduction in valuation of its securities, although its reserve fund remains intact; the Western Canada has its reserve cut down by half a million, while the Freehold's reserve is written off and a portion of the capital as well. The authorities of the last-named company are far from agreeing with the low estimate placed upon their property by the valuers

for the amalgamated companies, but they consent to accept it. Similarly, the management of the Western Canada, who also accept, as they had agreed to do, the valuations aforesaid, remind their shareholders that the capital, and much of the Rest, is intact, and that this rigid writing-down of their property need not prevent the realization of better prices for a number of their securities than the amalgamation committee has placed upon them. Indeed we have heard of instances where such realization has already happened.

It must be admitted that to loan company people in Ontario outside those immediately interested, the announcement now made of the relative values of these four companies' assets comes as a surprise, and that the shareholders of the three smaller companies can scarcely be blamed for feeling more or less aggrieved that their properties have, in some cases, been so ruthlessly treated. Still, if they are under-estimated this does not impair the value of the companies' lands, whatever may be the effect upon their shares. In this connection it is significant that, as we are told, not one of the directors of the Western Canada Company has sold a share of his holding in the last ten years, showing what faith they have in its earning power. However unpleasant, the proprietors ought not to dread such a severe financial house-cleaning as has just taken place, but rather to welcome it if it shall prove to have been necessary. If the improvement begun in 1898 in the condition of the country continues, it is quite possible that the assets of the Freehold Company may prove to be worth more like the \$5,000,000 they were valued at last year, than the \$4,300,000 they are now reduced to.

So far as we have been able to discover, a main reason why the Canada Permanent's showing is relatively so favorable is that its loans are widely distributed in comparatively small sums over Ontario and elsewhere, and, therefore, it has not suffered so heavily in proportion from depression in Winnipeg and Toronto city property as the other companies. Besides, it would appear to have periodically written down its securities in perhaps better proportion to their requirements than the others had done.

CANADA PERMANENT LOAN AND SAVINGS COMPANY.

It is hardly too much to say that the history of the Canada Permanent Loan Company is the financial history of Ontario for the last forty years. The company was founded when capital was scarce in Canada and farm land barely had a salable value. Farmers were to a large degree pioneers and poor. Since capital began to be made available for them by the loan companies and other agencies, a great change has taken place for the better among our agriculturists, and this company has had a large share in bringing about this change. In the very interesting review of its career which we print this week, the president shows the growth of the company's transactions from a capital of \$31,000, and assets of \$68,000 in 1855, to the large figures of \$2,600,000 stock, \$1,300,000 reserve and \$10,325,000 assets. Doing business first in Toronto alone, its operations extend now to half-a-dozen provinces of the Dominion. It was among the first to borrow on debenture in Great Britain, and has used many millions of British capital in Canada.