

up, so that, although next week's settlement is being looked forward to with forebodings there are counterweights.

Success of New Canadian Issues.

There has again been much activity in new issues. The long-heralded Turkish loan—4 p.c. at 89—has made its appearance and been a dismal failure, underwriters being saddled with 81 p.c. of the two millions which was reserved for London. This result is quite contrary to general anticipations and is in rather striking contrast to the Paris result, the loan being there oversubscribed. Two other interesting ventures which have made their appearance this week are the Omnium Insurance Corporation, to which reference was made in my last letter, and an Anglo-Russian Trust Company, which is believed to be the herald of a considerable expansion in the financial relations of the two countries. The new issue honours of the week have been, however, carried off by Canada. Both the £850,000 4 p.c. perpetual consolidated debentures of the Canadian Northern Railway at 93 and the \$3,150,000 7 p.c. cumulative preference stock of the new Canadian Car & Foundry Company at £10.10.6 per \$100 shares or approximately 95 p.c. have been over-subscribed. Such success, at a not particularly propitious time is a fresh proof—if, at this time of day, any proof is needed—that there is plenty of British capital available for Canada's development.

We hear of another new Canadian railway issue in the immediate future—1½ millions sterling in 5 p.c. bonds. The price mentioned is 108.

Western Canada Cement's Reorganization.

The statement of the directors of the Western Canada Cement & Coal Company regarding the financial position, from which it appears that had the company not joined the new Canadian cement combine "a re-organization might have become imperative" has come as a surprise here, and the 6 p.c. first mortgage debentures at 85½ are 6 points lower than a fortnight ago. The directors propose to make a fresh issue at 5 p.c. first mortgage debentures to be exchanged at par for the existing 6 p.c. first mortgage and 7 p.c. second mortgage debentures. In the circumstances bondholders will, no doubt, gladly accept the terms offered, even though the directors describe them as not entirely satisfactory.

Bygone Banking.

Stuckey's Banking Company, whose absorption by Parr's I chronicled last week, has several claims to fame. Stuckey's have always confined their operations to the two west country counties of Somerset and Gloucester, but in those two counties their position was supreme. For a country bank they had a large note issue, the total authorized (£356,976) coming in size next to that of the Bank of England itself, and the prestige of their notes is shown by a well-known story a propos of the panic which followed the failure of Overend, Gurney & Co., in 1866. At that time Stuckey's Bristol office shared the common fate of being subject to "runs." In the crowd was an old lady, who, when she got to the counter was asked how she wanted her money—in gold or silver. "Neither,"

she replied "Stuckey's notes are good enough for me" and off she went proudly conscious of having secured her funds before the expected smash came.

There is another story about Stuckey's which illustrates very clearly and forcibly how times have changed from the 18th century. Among the bank's customers was the elder Pitt, who had a country place near the little Somersetshire town of Longport, where Stuckey's head office was until lately. Like less illustrious mortals Pitt got head over heels in debt, and the bank demanded—as banks have a habit of demanding—a settlement. Pitt had no money but heaps of patronage—and so the little matter was satisfactorily settled! The founder of Stuckey's was great uncle of Walter Bagehot, who was for some years himself connected with the bank. At one time indeed Bagehot acted for Stuckey's in London, in addition to doing his work as editor of *The Economist*.

The Assurance Companies' Bill.

The Assurance Companies' Bill passed its second reading this week, but it is a little doubtful whether the Bill will become law this session. As Mr. Winston Churchill, who, as President of the Board of Trade, is in charge of the bill, has pointed out, its passage will only be secured at this time of the Parliamentary year by the general good will of the House, and it is clear that that general good will can only be secured by further negotiations. The Labour party are much exercised in mind on the subject of industrial insurance. They desire a Royal Commission to enquire into its working, and, through Mr. Keir Hardie moved on the second reading that the Bill should not be proceeded with until such a Royal Commission had reported, Mr. Churchill pointed out that an enquiry of that kind would require long and anxious consideration on his part and that it might cause a great amount of unrest and uneasiness in the community which would reflect adversely on the business of the companies concerned. There is no doubt, that it would be well to alter the present position of industrial insurance by the proposed legislation as quickly as possible. It is estimated that about ten million policies issued by the large collecting societies and industrial companies are void, owing to these associations having exceeded their powers by issuing policies to sons to provide for parents' burial and to brothers for sisters' burial. As the Bill will legalize these illegal policies, the position is being anxiously watched by insurance interests.

Apart from this question of industrial insurance there appears to be a widespread feeling in insurance circles that in another particular the Bill is lacking—it fails to give protection to policyholders in foreign companies doing business in this country. The deposit of £20,000 which will, in future, be required from them is not a large amount in comparison with the enormous liabilities which companies, not native, often undertake in this country, and there is a suggestion being put forward that these companies shall be compelled to keep part of their assets in the United Kingdom.

A Banking Decision.

A novel banking point has just been decided in the London courts. On October 30, 1907, a busi-