

ply the Bank of Montreal as its chief fiscal agent.

2. I think you should arrange, as soon as convenient, that the revenue arising from customs, excise, and the post-offices, should be deposited with the banks of the respective Provinces, you selecting the banks and fixing general principles to apply to all.

3. That all the banks have an opportunity of competing for exchange, whether bought or sold by the Government.

(Signed),

J. SIMPSON.

To the Finance Minister.

The inquisitive spirits to whose persistency the publication of the foregoing is due, will, it may be hoped, be satisfied with the benefit they will receive from its perusal. The statement of Mr. Simpson only exhibits once more, in a practical and perfectly intelligible shape, the kind of treatment the great Province of Ontario received at the hands of the Macdonald-Cartier Administration. Nor could it be at all inconsistent with propriety that the President of one of the leading banking institutions of Ontario should take the earliest opportunity, after the change of Government had occurred, to call the attention of the incoming Ministers to the flagrant injustice the Ontario banks had been subjected to by their predecessors. The letter, it will be seen, was written on the 8th of December, 1873, a month before the writ was issued for the General Election of January, 1874, and when—the new Ministers having just sought re-election—an appeal to the country could not have been anticipated by the writer. It was, therefore, as no mere electioneering movement that the correspondence took place.

THE SIMPSON-CARTWRIGHT INTRIGUE.

(From the *Toronto Mail*.)

After considerable delay the Government organ has published the letter which Senator Simpson addressed to Mr. Cartwright on the subject of the Government deposits shortly after his Reform friends obtained office. The letter is as follows:

(See *Globe's* article.)

Between the lines this reads like one word on behalf of the banks in Ontario and two in the interest of the Ontario Bank.

Mr. Cartwright does not appear to have replied until after the dissolution, when he paid a flying visit to Bowmanville and was closeted for a day or two with the worthy Senator. In fact he answered the letter in person then, and, judging from the circular Mr. Simpson sent to the shareholders and customers of the bank immediately after the Finance Minister's visit, his personal response was eminently satisfactory:

BOWMANVILLE, Jan. 17, 1874.

Esq.,

Dear Sir,—Although I am not disposed to oppose Mr. Gibbs on personal grounds in the approaching elections, still, as one who has laboured long and hard to promote the interests of Canada, I now ask my friends to support men who will support the present Government, for the following reasons:

"1. For the country's good and to show to England that the Canadians will not sustain or tolerate men who will barter our rights and stain our character for base and sordid motives.

"2. Because many of the men forming the present Government are my personal and esteemed friends.

"3. Because if the present Government is sustained, I will be able through them to get justice for our party in needful appointments and otherwise.

"4. Because if they are sustained our bank and other Ontario banks (and through them the country) will have the use of the Government surplus until required."

May I ask you to give my old friend, Mr. Cameron, your candid and hearty support?

I am, yours truly,

J. SIMPSON.

This circular was beyond question based on a satisfactory answer to his letter to Mr. Cart-

wright. In the letter, he asks the Government to deal liberally with the banks in Ontario; in the circular he announces that they will do so if they are sustained. The circular addressed by the manager of the bank to the customers was also directly connected with the letter of the 8th December:

"Dear Sir,—We are largely interested in the success of the present Government, and its continuance in power will add largely to the success and prosperity of our bank. Our president, Hon. John Simpson, is calling upon all our friends to give us a hand for Mr. Cameron, and we would esteem it a great favour if you would give us a helping hand along with many of our friends."

The manager's circular and the president's both show beyond question that the letter addressed to Mr. Cartwright had been satisfactorily answered, and, as Mr. Cartwright declares that he never wrote either of them on the subject, the conclusion is inevitable that his flying visit "fixed things all right." In the manager's circular, it will be observed, the "blind" about the other banks in Ontario, "and through them the country," being favoured by the Government, is dropped, and the naked fact established almost by so many words that Mr. Simpson had made an arrangement with the Finance Minister by which, so far as "our bank" was concerned, the request in the letter of December would be complied with and Government deposits obtained, conditional on the exercise of "our bank's" influence on behalf of the Administration.

All this time, it must be remembered, Mr. Gibbs, Mr. Cameron's opponent in South Ontario, was Vice-President of "our bank," but the anomalous spectacle of the head of a banking house calling on its stockholders and customers to vote down one of its chief pillars, and elect an outsider who had no stake either in the bank or the section of the country where it does business, is amply explained by the circulars. Mr. Cartwright, in response to Mr. Simpson's letter of December, had agreed to give him immense Government deposits in exchange for the bank's influence in the district where it is a power, and Mr. Gibbs, being politically opposed to the Government, had to be defeated in accordance with this agreement.

And Mr. Gibbs was defeated. So, too, was Mr. W. H. Gibbs in North Ontario. East and West Durham were carried for the Government, and so also North Victoria. Five out of the six constituencies in which the bank possesses enormous influence were secured to the Government mainly through Mr. Simpson's efforts, and although the sixth, South Victoria, returned an Opposition member, Mr. McQuade told the House last session that "our bank's" dollar notes flew thick and fast there in the worthy Senator's attempt to fulfil his part of the agreement to the very letter.

To the utmost of his ability, in fact, did Mr. Simpson observe his agreement with Mr. Cartwright; and in a cordial spirit of reciprocity the latter has scrupulously observed his part of the compact also. The following table shows the balances of Dominion funds paying no interest at the credit of the Ontario Bank on the dates mentioned:

31st December, 1873.....	\$180,500
31st January, 1874.....	214,000
31st March.....	291,000
30th June.....	350,000
30th September.....	458,000
31st December.....	370,000
31st January, 1875.....	315,000
31st March.....	354,000
30th June.....	611,000
20th September.....	598,000
31st December.....	429,000
31st January, 1876.....	255,000
31st March.....	316,000
30th June.....	395,000
30th September.....	31,000
31st December.....	248,000

The average amount of Government money (borrowed in England) lying in Mr. Simpson's bank in 1876 and paying no interest was \$310,000. The Ontario Bank's capital is \$3,000,000. On the other hand the average amount lying in all the

other banks in Ontario, with an aggregate capital of \$3,000,000, was only \$125,000. This is the best of proof that Mr. Cartwright understood Mr. Simpson's letter of December, 1873, as we understand it, viz., as being one word on behalf of the other banks in Ontario and two in the interest of "our bank," and answered it accordingly in carrying out the most corrupt and debasing compact ever traced home to a Minister of the Crown and a Senator of Canada.

BRITON LIFE ASSOCIATION.

The first Annual Meeting of this Association was held at the offices, 420, Strand, W.C., on Wednesday, 28th March, Mr. Francis Webb, the chairman, presiding. Mr. J. Messent (the actuary and secretary) having read the notice convening the meeting, and the minutes of the statutory meeting held on the 26th February last, which were confirmed the directors' report was taken as read. The Chairman said it now became his duty to move that this report and balance-sheet be received and adopted. At the statutory meeting held in February he told them that the directors had an arduous undertaking before them, but that they had every confidence that whatever the difficulties might be they would be overcome, and he thought the result of the year's proceedings showed he was right in that conclusion. The greater part of last year must be regarded as one of preparation, because they had been engaged in seed-sowing in, he hoped, fertile soil, and although the crop at present was good they hoped it would become yet more productive. They had issued 518 policies, assuring the sum of £266,951, and he was glad to find that for a young company the policies were a very fair average, being a little over £300 each. The fact that only 28 proposals were declined showed that the agents had been very careful in the business they had sent up, by which unnecessary expense was avoided. At the end of the year there were 197 policies in course of completion. The policies issued produced a premium income of £10,035, which was a source of great satisfaction to the directors, seeing that they had had not only a great deal to do, but a great deal to undo. For his own part and on behalf of his colleagues, he heartily thanked their district managers and agents for the strenuous efforts they had made in overcoming and removing difficulties. A new business of £10,000 was equal in amount to that obtained by many offices of old standing, and it only represented the amount actually received, credit not being taken for quarterly and half-yearly premiums which had not yet been paid. The preliminary expenses might appear at first sight to be somewhat large, but when they remember the short space of time in which they had raised a capital of £50,000, and that this could not have been obtained without the usual brokerage commission, together with the amount required for printing, advertising, and stationery, he did not think they would consider the outlay excessive. Every item which would not recur again had been placed to preliminary expenses, and only those items which were of a recurrent nature had been placed to current expenses. There would, therefore, be no addition to preliminary expenses, everything properly belonging to them having been charged in the first instance. With regard to the management expenses, they were set out in the fullest detail, instead of being lumped in one item. If these expenses appeared somewhat heavy, it must be borne in mind that the item did not represent the expenditure of an office transacting a new business of £10,000 a year in its first year, but the combined expenditure of the old office, the work of which was very much heavier than most people would imagine. There were about 26,000 policies afloat in the old office, and the investments were between £800,000 and £700,000, requiring great care in their management. The old office involved a large amount of labour, and the expense of the staff engaged in carrying out that work was included in the charges for work done in the new company, because, by the arrangement made between the two companies, the new company