

at the meeting as to the expenses as well as the politics of the company. The expenses of doing business in the American States and cities are great; but these absurdly high commissions, &c., are the custom of New York; bad ones it is true, but still, if a company is to do business there it is not easy to see how it can be done without them. Palatial offices and a perfumed staff are questionable advantages, and probably well rid of. As to Montreal, it is a different matter. And as to politics, it is trite to say that their admixture with business management is, at least, awkward. They may underlie, but should not openly govern. The directors, in choosing Mr. Andrew Robertson for their president, have regarded the fitness of things; he is prominent amongst a group of gentlemen who have done genuine hard work in the service of the company, and is a business man of known ability.

We make room for a commendably full exhibit of the business of the Canada Fire and Marine Insurance Company. This is especially so, considering the disastrous business of the year. The losses in New Brunswick amounted to \$73,807. Although this is a large sum it has been paid, and a surplus is shown. This was done by borrowing a sum of money instead of making any calls upon its shareholders. There are those who question the wisdom of this course. But the view adopted by the management is that it was better not to make a call or sell securities when stocks were at their lowest, especially when a loan of money could be obtained at a moderate cost. In this way the capital would not be increased, and there would be less difficulty in paying a dividend in prosperous years. The directors seem to be fully alive to the interest of the company. We understand they unanimously declined to accept the remuneration voted by the shareholders for their services, a piece of self-denial as creditable, under the circumstances, as it is rare.

No human foresight could have prevented the losses that occurred in the capital city of New Brunswick. Indeed the several large fires occurring in that Province were of the nature of unlooked for disasters. The National Insurance Company are therefore to be sympathized with in having lost in New Brunswick alone \$151,000 out of their total losses of \$190,000 in 1877. These, we understand from the report, have been paid, with the exception of \$24,382 outstanding, the directors having promptly paid, on two several calls, twenty per cent. additional upon their stock, which they now seek to have reduced to \$500,000. We also observe that the directors decline remuneration for their services. We like the tone of

hopefulness in which the president, Mr. Ogilvie, like the plucky man he is, spoke of the policy and the future of the company. The report, of which we can give only a synopsis, takes a very business-like view of the situation in Canada. It does not show the re-insurance liability of the company, but says, *apropos* of re-insurance: "The re-insurance account (\$23,505 re-insurance recoveries, debited to revenue) justifies itself by the fact that in consideration of the \$19,637.72 paid for re-insurance and cancellations, the company has received \$23,505.43 from other companies for losses on risks so re-insured, beside the large amount of losses escaped by the cancellations."

There are indications of an improvement in the condition of the business of the Canada Farmers' Mutual Insurance Company. A reduction has been made in the number of its policies with a corresponding decrease in the amount at risk. This may be owing to a recent change in the management, and the beginning of a more conservative policy which may be safely adopted with advantage to the company. The amount paid for losses during the year was \$60,569. Of this sum over \$19,000 belonged to previous years. At the end of the year the unadjusted and unpaid claims amounted to \$22,828. Since the beginning of this year \$7,903 of this sum has been paid. The thorough revision of the company's risks which has commenced should be carried out, as well as a vigorous policy in the collection of its large unpaid assessments, and the entire abolition of all "short date notes" for premiums, an item that should not appear in a Mutual company's statement. If an insurer cannot pay cash for his premiums let him give a premium note at once, or do without insurance. The strict observance of these suggestions would make a salutary change in the business of this company before the end of the year. And it will remain to be seen whether the directors will be equal to their task.

The Phoenix Mutual Fire Insurance Company, in presenting its first annual statement to the public, takes credit for economical and prudent management, and also states that their claims have all been settled without litigation. The company issued 998 policies during the year, averaging \$1000 each, and received in cash upon premium notes \$15,312. The losses of the year were \$7,560. It is stated that after making the reserve required by the Ontario Statute for re-insurance, there is still a balance of \$10,922, which is encouraging; but it must be borne in mind that the second and third years are more trying ones for losses.

The County of Perth Mutual Fire Insurance Company appears to be well man-

aged. Its business, although not large, is carefully scrutinized. During the year its losses have been small, amounting to \$2,726. The company has 2,390 policies in force, insuring the sum of \$2,239,610.

THE NORTHERN RAILWAY.—This road has not suffered from the general depression so severely as might have been expected. Although the earnings have been less the company have taken the advantage of the low prices and made a reduction in its working expenses, which have been 57.07 per cent. of the receipts, being 1.35 less than in 1876. The reduction in the net revenue was \$13,550 or 4.15 per cent. All the liabilities due Government have been settled, and the new issue of five per cent. mortgage bonds is favorably received on the London market. The lease of the North Simcoe Railway was confirmed, and after the usual complimentary resolutions were adopted at the meeting the following gentlemen were elected directors:—Mr. Wm. Thomson, Hon. Frank Smith, Mr. C. J. Campbell, Major Greig, Mr. Noah Barnhart, Mr. J. L. Blaikie, Sir H. M. Jackson, Mr. W. Lethbridge, Mr. Chas. S. Roundell, Mr. F. W. Cumberland.

CANADIAN BUTTER.

It cannot be too soon made known that the impression which exists in Britain as to Canadian butter as described by the entertaining correspondent of the *Mail* in his letter of the 28th ult. is altogether unjust and untrue. A correspondent of the *Scottish Agriculturist* describes it as "butterine, made from fat, petroleum (*sic*), &c.;" if anything of the sort has been offered as Canadian butter, we venture to say it was American stuff, named Canadian by some unscrupulous shipper. If we have attained the dexterity in chemistry of making butter from petroleum it is a new revelation to us. We do not deny that there has been a good deal of inferior butter sent to Britain this season, and owing to the state of the market much of it has doubtless sold for "grease," to use a trade term. Nevertheless it was butter, made wholly from milk, and not from tallow, or such fatty substances. We have undoubtedly enough to answer for in the shortcomings of our own dairy produce, without being made to suffer, as we believe we are in this matter, for the misdeeds of our American friends.

The letter just quoted gives the quantity of Canadian butter shipped in 1876 to Great Britain as 9,600,000 pounds and of cheese 36,787,000 pounds. If any such sweeping statement as to its constituent parts as that made by the Scottish writer above quoted were true, such a quantity could hardly have been consumed, we submit, without some earlier complaint than that made by this wise acre. Butterine and Oleo-margarine do go over from New York in large quantity;