

UNLICENSED INSURANCE.

On another page is printed a letter from Mr. E. M. Carroll, president of the Insurance Brokerage & Contracting Co., Toronto. Mr. Carroll endeavored to settle on behalf of clients, insurance placed in unlicensed companies. He resents what he terms the sarcastic comments of The Monetary Times, last week, adding that "he should be crowned with a halo for the success met in busting," certain unlicensed companies. If Mr. Carroll can be credited with eliminating undesirable fire underwriters, he is entitled to compliments. Our fear was that he might have been dragged too far into the mire. Mr. Carroll makes it clear that he was endeavoring to obtain insurance from a hopeless quarter.

One, Frank Anthony of Brooklyn, N.Y., is responsible for considerable literature in Canada regarding unlicensed companies. We believe that Anthony had a Toronto agent. It would be interesting to know what the agent thinks about the Pennsylvania State Insurance Department's descent upon Anthony's unlicensed bee-hive. Anthony sponsored the companies from which Mr. Carroll was trying to get insurance settlements.

A point which deserves a serious consideration is made in Mr. Carroll's letter. He calls attention to the fact that many fire insurance companies with risks in Northern Ontario are not exercising undue haste to settle their claims. It is said a number of technical excuses are being made. If this is the case with licensed companies, it will be interesting to learn the details. As for unlicensed companies, The Monetary Times has always opposed them. They are transacting business in Canada without contributing to the upkeep of the Insurance Department at Ottawa. They pay no license fees and have every opportunity to transact tricky business. They have the same underwriting field as possessed by the licensed companies, but enjoy advantages not given to those companies which conform strictly to Canadian insurance law.

A COAL COMPANY'S ANXIETY.

The British Pacific Coal Company, Limited, is using some arguments in its advertisements, the mere perusal of which makes one feel wealthy. Speculators are advised that an investment in this company would bring "in the early future a handsome and perpetual profit in annual dividends." Dollar shares are being sold at fifty cents each, but, as is usual with stock offerings of this nature, the public are solemnly warned that the price will be pushed higher. In this case, "On the morning of the 17th August, at the hour of 9 o'clock, the next issue of shares in the British Pacific Coal Company, Limited, will be offered to the public at seventy-five cents a share or possibly at one dollar, par value, but not less than seventy-five cents a share." This is, we believe, the first occasion on which the actual and fateful hour for advance has been announced. What it denotes is best described by the writer of the company's advertisements, who says: "This means that those who buy in to-day at 50 cents a share actually make a profit of 25 cents a share for each share held by them on August 17th, which 25 cents a share represents a profit of 50 per cent. upon their investment. To buy 100 shares at 50 cents your cash payment is but \$10.

"The remainder of \$40 is spread over a period of three months. Don't you see that long before you make your second payment, one month after you purchase the shares, the price of them will have advanced to at least 75 cents and probably to \$1 or \$1.25 a share, and that you will find yourself in possession of a holding which has made you—through the advance to par—100 per cent. on the total purchase price?

"In other words, if you buy 200 shares at 50 cents, your purchase price is \$100, and when the price of the shares is at par, your holding is worth \$200."

The trouble with all automatically, periodically advanced shares is that, no matter whether the promoters raise the value of a 50-cent share to even \$500, while it is easy enough to buy at the vendor's price, it is an extremely ticklish operation to sell. If the British Pacific Coal Company has a property of any value there is no need to exhibit such extraordinary anxiety to sell dollar shares for fifty cents.

SMALL CHANGE.

A Toronto daily has called upon Sir William to blow his Van Horne against reciprocity.

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One million barrels of apples from Nova Scotia this year will be pie for a good many.

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The Western crops have had sufficient moisture, a touch of black rust, and now want the sunshine to reign.

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A Calgary paper tells us that a disaster to the 1191 crop is not anticipated. This prophecy makes one almost dizzy.

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M. Jagerschmidt, a Frenchman, is making a trip around the world in forty days. It takes some office boys that time to get around a week's work.

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If the British newspaper men touring Canada chance to meet the American newspaper men doing ditto, some interesting reciprocity arguments should be heard.

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Sometimes the foreman of The Monetary Times composing room wants a streak of editorial in a mighty hurry, and his linotype machines cannot wait for editorial thought. Thus it happened in this particular corner, and the above explanation therefore satisfies us all.

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Mr. Thomas W. Lawson, of Boston, looks for rapid development in Western Canada. As a stock salesman and manipulator he has strangely neglected the Dominion. His trip to the Pacific Coast and through the West may have been made with a view to sounding the depth of our investment knowledge. Lawson says that capital will be almost at the mercy of individual energy, especially in the North-West. It would not be surprising to see Lawson's full-page advertisement appearing in those papers which support such men and their schemes. On another page we print some of his quips. They make good mid-summer reading.

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The Ontario Government has decided to buy the bonds of the town of Cochrane, to enable the corporation to pay the interest and sinking fund of the debenture debt, towards erecting new public buildings. This is a commendable action. It is encouragement to stricken pioneers and a tribute to the sympathy of the Ontario ministers and the Toronto Board of Trade. We can well afford now and then to mix a little kindness with finance. Cochrane is a town hewn out of Northern Ontario bush. Soon after the first civic council was formed, the necessity for selling debentures arose. None of the members possessed municipal experience. They soon acquired knowledge and issued their first bonds successfully, obtaining par. The action of the Ontario Government will help where assistance is needed and will not be abused.