

PROGRESS OF THE NORTH-WEST.

"A True Manitoban" tells us that no one can understand Manitoba who has never been there. He objects to the view taken in these columns that "railway communication should extend westward as fast as population moves on," and says the people there "want railway communication to extend westward that population may move on." The distinction is almost too nice to leave any difference. He says: "It is felt that the section of the railway running from the Red River (via the south end of Lake Manitoba) to Edmonton should have been the first put under contract. It would have cost vastly less than any other section—it would have drawn settlers along its whole extent, and lands within twenty miles on each side of it would have been extensively purchased, by actual settlers, at a rate on time yielding interest in a very few years, to meet the interest of cost of construction."

The first thing, we should think, the North-west requires is communication with the outside world. A mere local market like Winnipeg would soon be glutted; and a farmer who could not sell his produce would be no better off than one who lived so far from market that the journey would eat up nearly the whole value of his produce. We can well understand that a farmer sixty miles from market lives under conditions which almost make success impossible. His situation let our correspondent describe:

"He raises wheat and oats, as his chief crop and main dependence. We will assume his crop to be good, say wheat thirty bushels to the acre and oats not less than seventy. He has Winnipeg for a market, and with two horses and a wagon brings forty bushels as a full load. It takes him four days to make the trip, at the very least, but oftener five days." Here is the calculation of how he would stand: "Forty bushels of wheat at 65c. per bushel, \$26; deduct expenses of four days with team, \$10; leaving as the net result, \$16, for his wheat, or 40c. per bushel. I have allowed nothing for the use of the team or the man's time, and the actual expense is within the average of actual experience. The result in oats is so absurd that I need not state it, as the low rate at which they are sold (25c.) excludes his bringing them at all, unless he has to come on other matters and takes the opportunity of realizing on a few bushels, reckoning his expenses as nothing."

We can well understand that farming under such conditions is practically impossible. "Give us early railway communication westwards," says "A True Manitoban," "and the scene is transformed—a rush of settlement, progress, improvement, prosperity and

contentment would, as with the influence of magic, appear." But not if the new settlers were hemmed in with only Winnipeg for a market. With easy communication with the outside world we admit the truth of the picture; without that it would prove a delusion.

STAMPING NOTES.

In a late issue of appeared a communication advocating, as a remedy for existing annoyances, that the government should issue stamped paper which could be used in the stead of the adhesive stamps now in use. The suggestion was a timely one, and there seems no good reason why the course pointed out should not be adopted if the government must needs collect a revenue from this source. We are even prepared to go further, and would rejoice to see the whole system, with all its intricacies and annoyances, swept out of existence. It may safely be said that in no other case is there one half the trouble and loss occasioned by the practical working of the law in proportion to the amount of revenue realized. We trust the day may not be far distant when parliament will find itself able to conduct the affairs of the country without the assistance of this cumbersome clog on mercantile transactions.

In the meantime, however, if revenue must be derived from this source, care should be taken to have it collected by such means as would ensure the least possible risk to those paying it. Nothing, it seems to us, can justify the use of the present complicated machinery, unless an absolute necessity, which can scarcely be said to exist in this case. But, even as the law stands, the use of stamped paper is permitted, and when its use would be so obvious an improvement on the present method, it should be issued at once.

While we are compelled to pay taxes in this way we should at least have a less incomprehensible collector. In many of the States of the neighbouring Union, stamp laws have been entirely discontinued on account of the annoyances they were found to occasion; and all business men will gladly hail the day when Canada follows suit.

INSURANCE ESSENTIALS.

That the whole economy of fire insurance is essentially mutual in its character and results, and that the margin of profit possible is so small in proportion to the risk assumed as to enforce that idea, is the text of an able article in the last issue of the *Canadian Insurance Advocate*, respecting Fire Insurance. Although headed "Mutual Fire

Insurance" it covers the whole ground, and is by no means sparing in its remarks upon the recklessness of stock companies as well. We meantime quote some paragraphs, and shall probably recur to the matter:

"The first mistake made by the promoters, managers, and patrons of mutual fire insurance companies, is that they can insure for much lower rates of premiums than are necessary for stock companies; the consequence of which is that they have a short lived success, which leads them into the temptation of lower rates and greater inducements, by means of which they are unfitted to provide for the calamities of bad years, or to withstand the shocks which result from financial crisis; their only advantage being that of the shipowner who promised to carry freight and passengers at low rates and asserted his ability to do so because he had avoided the expenses of ballasting and of experienced officers and crew. The ballasting of the ship is synonymous to the capital of the stock company, and the expenses of the experienced captain and crew are represented by that of the directorate and management of a stock company; but the natural result of these is steadiness and conservatism, by means of which indemnity is more certainly assured, so that the proposed cheapness of mutual insurance companies is a delusion and a snare—very nice in fair weather, but not to be depended upon in a storm; very good indeed so long as losses do occur, but poor things to depend upon in such years as 1877."

It may, however, be asked: "Are not the people generally interested in being able to secure fire insurance at low rates, and do not mutual insurance companies assist to that end?" To this it may be replied that if a mutual company is managed by experienced underwriters, who equitably assess all risks assumed, in proportion to the hazard presented by each of them; if they carefully inspect every risk, and rigidly exclude all such as do not present such features as secure them from avoidable dangers; if they reject all considerations except the strictest justice to all and every member; if every insurant contributes equitably to a central fund which shall present the guaranty for years of calamity (the ballast); if then it is managed with honesty, judgment and economy, there can be no question but that for all purposes, and to all concerned, it is the best, the cheapest, and the most conducive to the general welfare.

BUSINESS SAFEGUARDS.

"They treated their customers harshly, they used us roughly and desired to fail. They insisted upon our paying our account in full the day it became due, and if we did not, we were very soon called upon by a bank messenger to accept a five days draft in settlement of the same." These are some of the accusations that were brought against a prominent wholesale firm which was earnestly struggling to avoid a calamity which has since overtaken it. Now, the use of these reproaches may not be surprising, in view of the iniquitous practices which have sometimes been adopted by wholesale firms in trying to force goods upon their customers that still remain on their shelves.

But we should be very sorry to subscribe to the doctrine that because a firm in-