

or carried on which would ruin the adjacent property. It is surely extremely desirable for the city authorities to protect properties from being lowered in value by some offensive trade being carried on in their midst. Capital is invested in residences in the confidence that their value will not be so depreciated and the credit of the city demands that such investments be protected. As to stables, however carefully they may be constructed and cared for there is no earthly power can regulate flies, the overproduction of which near a dwelling house may reduce its value.

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THE NORTH AMERICAN LIFE has issued a circular in reply to some remarks and criticisms in a Toronto paper.

The circular denies that Sir William Meredith is likely to displace Mr. Blaikie as president.

A reference is made to the gain and loss exhibit, which appears in the report of the Joint Committee of the Senate and Assembly of the State of New York, and the "World" states that that document shows that the North American Life expended in the year 1904, \$4.67 for each dollar of first year's premium received in the State of New York that year. This is a clear misrepresentation, because in the Exhibit no reference whatever is made as to the percentage of expenses to premiums, nor does the table specifically refer to the business of the North American Life in the State of New York. The percentage is made up on the basis of the mortality gain for the first year, added to the loading on first year's premiums, compared with the total first year's expenses of the company. In 1904 the actual death losses for the first year almost equalled the expected losses, hence in making a comparison of the kind referred to, it makes the percentage much more unfavourable to us than would be the case in almost any other year.

The newspaper alluded to said the company, "Adopted Preliminary Term Reserve Plans in 1905." This is denied as the company never adopted this plan.

In regard to the charge that the company exceeded its authority in its investments in American bonds the Managing Director, Mr. Goldman, says: "We certainly believe that we were justified in holding the amount of bonds we did."

We fear the companies are likely to be kept more busy than will be profitable if they issue formal replies to the animadversions of irresponsible, ill-informed, sensation-seeking critics.

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BILLS RELATING TO INSURANCE.—The New York State Legislature has passed 5 more bills embodying the suggestions of the Armstrong Committee, which are briefly described as follows:

No. 1874.—Amending the legislative law so as to require all "legislation agents," whether for persons, firms, associations or corporations, employed for compensation to promote or oppose legislation before the Legislature, or Governor, to register with the Secretary of State before entering upon service; to require also the registry in the same office of all fees paid to such agents; also to prohibit the employment of such agents for compensation contingent, in whole or in part, upon the passage or defeat of any legislative measure or measures.

No. 966.—Amending the penal code as to the crime of perjury, so that contradictory statements under oath shall be presumptive evidence of perjury.

No. 969.—Amending the general corporation law relative to the acquisition of real property by life insurance corporations.

No. 968.—Amending the penal code so as to prohibit rebating by agents.

No. 607.—Amending the penal code so as to penalize more effectively than at present the falsification or omission of material entries in the books and records of any corporation by any employe or officer thereof.

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PRINCE EDWARD ISLAND TO TAX BANKS.—The Legislature of Prince Edward Island has followed a very bad example by imposing a minimum tax of \$1,000 on banks, one-fifteenth of one per cent. where business is \$2,500,000 and one-twentieth of one per cent. on all over that amount. The Prince Edward Legislature can hardly have given full consideration to this tax which is an impost upon a form of business that is the mainstay and support of all its commerce.

A tax on banks is one of the most indefensible modes of raising revenue.

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ACTION AGAINST THE MCCURDY'S.—As an outcome of the Armstrong Committee's report *re* the management of the Mutual Life Insurance Company of New York, by Mr. Richard A. McCurdy, its president, actions have been commenced against him for conspiring with his son Robert H. McCurdy to secure commissions on the foreign business which were not only illegal and exorbitant, but paid without the cognizance of the trustees. According to the complaint, Robert C. McCurdy received in commissions between 1886 and 1905, \$1,282,841. A just compensation for his services as foreign superintendent is declared to have been \$10,000 a year prior to 1889; \$15,000 a year up to 1895, and \$20,000 a year thereafter, unless he resigned.

Further action is being taken to compel the ex-president to disgorge large sums which it is charged he drew from the company and from subsidiary enterprises of the company, to which he had no legal title.

It is too bad that the new president and his colleagues should be hindered in their efforts to place the company's affairs in every department on a thoroughly sound business basis by having trouble created by actions against the ex-president, which, naturally, have aroused prejudice against the company itself. The policy-holders in the Mutual Life of New York, ere long will realize that their affairs are in the hands of as honourable and able men as exist in any community. When the present conditions are changed by public confidence being restored in life insurance and in the administration of its business, there will probably be a lively reaction and the sooner this takes place the better it will be for the country.

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PROVINCIAL SUBSIDIES.—The Legislature of Prince Edward Island on 9th inst., passed a resolution in favour of the subsidies to provinces being enlarged in accordance with the resolution adopted at a conference of provincial premiers. The Prince Edward Island resolution will be laid before the Governor General in Council. That the old provinces, especially have a just claim for increased subsidies we demonstrated in THE CHRONICLE on the 9th March last. We gave statistics which show-