

## THE MANUFACTURERS' APOLOGIA.

The Canadian Manufacturers' Association is a little nervous about unlicensed insurance privileges. One by one, the provincial governments are beginning to see the possibilities of taxation on unlicensed insurance, and although nothing much has yet been done in this direction, everyone knows the rapidity of growth in taxation, once it gets a start. There have been found also, various M. P.'s bold enough to question in Parliament the exact justice of the present state of affairs. The Minister of Finance, even, in various remarks from time to time, has disclosed himself as anything but a "whole-hogger" in the manufacturers' interests. And of course those monopolistic licensed insurance companies are constantly kicking! Hence a long and elaborate argument presented by the Manufacturers' Insurance Committee to the Winnipeg convention, setting out to prove, so far as we have been able to make out, (1) that the manufacturers have a Divine right to absolute free trade in insurance; (2), that under no possible circumstances, either directly or indirectly, should the manufacturers be called upon to pay the taxes upon insurance that everybody else has to submit to.

The argument is an interesting one. It would be much more interesting if it tackled boldly the real points at issue, instead of skilfully skating round them, and, to vary the metaphor, throwing out a batch of verbal smoke-bombs regarding the alleged iniquities of the C. F. U. A. But even on the arguments of their own choice, the manufacturers' sense of logic is peculiar. A suppositious case is advanced of a manufacturer being quoted by an agent of licensed companies a \$1.00 rate on a \$100,000 line:—"On casting about, the manufacturer may find," runs the argument, "that through a broker he can place his insurance in New York or London at a rate of 80 cents. Why should he not be at liberty to effect the saving of \$200 per year thereby available, particularly if he offers the business to licensed companies at that rate and they refuse?" Imagine the wrath of the assembled manufacturers with a free-trade Westerner, who submitted an identical argument on behalf of the consumers of some of the manufacturers' products. Again, the argument reads: "Both parties, insurers and insured, should be left to work out their own salvation." It follows that "Both parties, manufacturers and consumers, should be left out to work their own salvation." How the manufacturers manage to square these gems of pure-bred Cobdenism with the orthodox "Made-in-Canada" doctrine is one of those mysteries "no fellah can understand." Some at least of the manufacturers have reason to thank their stars that a generous National Policy did not leave them to work out, in the past, their own salvation.

The Manufacturers' Association is very angry with the C. F. U. A. for maintaining rates. We seem to have heard rumours of the formation of combinations of manufacturers to maintain prices. Suppose, however, that rate-making by agreement was declared illegal, and the policy inaugurated of "the devil take the hindmost." The manufacturers have had some personal experiences in running cut-rate insurance concerns, and they were not particularly happy ones. Do the manufacturers really

consider it sinful to try to transact business at a profit—a very moderate profit as a rule—or does profit only become immoral when business is transacted with the members of the Canadian Manufacturers' Association?

But all the argument of the manufacturers is beside the real point, which is this: Nobody wishes to exclude the New England Mutuals, Lloyds, and the heterogenous collection of stock companies with which the manufacturers place their risks, from transacting business in Canada. All that is contended is that they should be licensed, supervised, taxed, as are at present the licensed companies, make investments in Canada and employ Canadian citizens, assist, in fact, in helping build up the Dominion, as do the present licensed companies. To pretend, as the manufacturers pretend, that any move from the present state of affairs in this direction, would put them at the mercy of the C. F. U. A. is simple bosh. If the mutuals, etc., gave better service, when competing on terms of equality with the present licensed companies, they would naturally get all the business, including that which the present licensed companies refuse.

A few months ago, counsel for the Canadian Manufacturers' Association was inveighing with great eloquence against the iniquities of the recently-imposed tax on unlicensed insurance in Ontario—a very modest tax, by no means as thorough-going as it might well be. The only conclusion we can draw

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