

length. Thence to the Lake of the Woods far less lockage than is required for the Rideau Channel, will suffice to make as fine and as vast a line of water communication as that which connects the waters of Lake Erie with the Port of Montreal. But before the locks necessary for the permanent improvement of the line, portages of the number and length above described will have to be used. Yet, even while using these, the route to Red River by way Thunder Bay, and these water stretches already described, will be found shorter for the intending settler or the North-West traveller and explorer, by nearly five hundred miles, than that by the way of St. Paul.

### THE CITIZENS' INSURANCE COMPANY (OF CANADA.)

Subscribed Capital..... 1,000,000

Especially empowered by Act of Parliament, and fully authorized by Government under the Insurance Bill.

HUGH ALLAN, PRESIDENT.

#### Life Department.

THIS sound and reliable Canadian Company—formed by the association of nearly 100 of the wealthiest citizens of Montreal—issues policies on all the Modern Plans, including—Limited Payments, Endowments, Part Credit Premiums (without notes), Income Producing System; and several new and valuable plans.

A comparison of the very Low Rates, and of the liberal and unrestricted nature of this Company's Policies with those of any other Company, British or American, is specially invited.

All Life Policies are absolutely Non-forfeitable.

Persons intending to assure their lives are particularly requested to first examine the Prospectus, List of Shareholders, and Policies of this Company, which, together with all information concerning the constitution of the Company, the working of the various plans, &c. may be obtained at the

Head Office, Montreal—No. 71 GREAT ST. JAMES STREET,  
EDWARD RAWLINGS, Manager

Agent for Toronto: W. T. MASON. Agent for Hamilton: R. BENNER.

THE CANADIAN MONETARY TIMES AND INSURANCE CHRONICLE is printed every Thursday evening and distributed to Subscribers on the following morning.

Publishing office, No. 60 Church-street, 3 doors north of Court-street.

#### Subscription price—

Canada \$2.00 per annum.

England, stg. 10s. per annum.

United States (U.S. Cy.) \$3.00 per annum.

Casual advertisements will be charged at the rate of ten cents per line, each insertion.

Address all letters to "THE MONETARY TIMES."

Cheques, money orders, &c. should be made payable to J. M. TROUT, Business Manager, who alone is authorized to issue receipts for money.

### The Canadian Monetary Times.

FRIDAY, DECEMBER 10, 1869.

#### MUTUAL INSURANCE COMPANIES.

It is proposed to consolidate the Acts relative to mutual fire insurance companies. The first Act on our statute-book is 6 W. IV., cap. 18 (1836), which provided for the establishment of such companies in districts, under the name of "The United Fire Insurance company of —." Since then, 4 and 5 Vic., c. 64 (1841), 12 Vic., c. 86 (1849), 16 Vic., c. 192 (1853), and 18 Vic., c. 120 (1855), have been passed. In 1859, a consolidation took place, under 22 Vic., c. 52, which was objectionable in many particulars. Since the consolidation, 27 and 28 Vic. c. 38, 29

Vic. c. 37, and 32 Vic. c. 31, have been passed as amendments, besides a large number of special Acts, varying the general Act in favor of particular companies. It will be generally acknowledged that uniformity in respect of powers and procedure is desirable. The bill now before the Ontario Legislature proposes to secure that object. It has been adopted by a convention of representatives from the mutual companies; and while re-enacting the main provisions of prior Acts, contains clauses which will render applicable to all, provisions hitherto binding only upon some companies.

It is not necessary to notice matters of detail, which experience has doubtless suggested. There are some new provisions, however, which merit attention. In actions against companies, questions have been raised as to resolutions passed by the board of directors. It is proposed to render resolutions duly passed and entered of the same force and effect as by-laws. We suppose some question has been raised as to the effect of a surrender of the premium note, for a clause is inserted declaring such surrender to be a free discharge of all liabilities of the insured on account of his insurance. Section 44 of the Bill allows all companies to issue policies for cash premiums for terms of one, two, or three years, with a qualified liability on the part of the insured. Section 46 limits the issue of debentures or notes of a company to one-fourth the amount unpaid upon premium notes. Section 55 provides for the assignment of policies, the assignee being subject to all the rights and liabilities to which the original party insured was entitled. Section 74 renders assignees in insolvency liable on policies of the insolvent.

Some time ago we alluded to the expediency of requiring a deposit from companies receiving cash premiums. The strength of our position on the subject is inferentially admitted by section 66, which increases the guarantees of the policyholder, in making the members who pay cash premiums liable to the assessment of one per cent., as if they had given premium notes. The operation of the section is narrowed by declaring it inapplicable to holders of policies issued for one year only.

Section 68, which restrains the payment on losses to two-thirds the value of the property, is an excellent one. A great deal of crime has been caused by over insurance, and we fear, some mutual companies are blameable for provoking a portion of it. Where loss occurred in certain cases, it has been a question whether the policy was thereby cancelled, and the premium note rendered liable to surrender although unexpired. The bill proposes to give the company

the option of surrendering the note. The words of the clause are: "But the company shall not be obliged to retain more than such portion of said premium note, as shall be equivalent to one year's assurance thereon; such assurance to be for the year, during which the property insured may have been destroyed by fire, and to commence on the day of the month on which said policy was insured."

The lien on the property insured, which the law allowed to mutual companies in respect of assessments, always seemed to us to be unwarrantable. There is no reason why the transfer of property should be hampered by a lien for insurance assessments, and we fear many conveyancers have not been aware that property was liable in that respect. In our opinion it should be done away with altogether. Section 73, continues the principle, and provides for a registration of the lien in a county registry office. If the right is to be preserved, of course, public notice of its existence should be given.

Section 51, allows the issue of policies for any time not exceeding five years.

Sections 19 and 78, provide for the preparation and publication of annual statements. Instead of the "full and unreserved statement," &c., mentioned, it would be well to have a schedule attached to the bill, furnishing a form of return for all companies. Where each company is left to furnish figures in its own way, or such figures as it chooses to give, it is impossible to compare, and in fact it renders the return valueless. In the miscellaneous statistics of Canada, there is a form which might be adopted with great advantage.

The Bill, taken as a whole, is a good measure, and will doubtless receive the sanction of the Legislature.

#### DOUBLE TAXATION.

It is now seen in Ontario that an equitable distribution of taxation will render the burden of taxation less onerous than it has heretofore proved, owing to the number and extent of the exemptions and the distinction made between classes of property. The list of exemptions attained such formidable dimensions as to attract public attention; the consequence is, that there is every likelihood of most of the favourites of the statute law being reduced to a level with the tax-paying properties and persons. The contest now is as to the principle of double taxation and its discriminative application. If it were laid down that all capital, however invested, and all income, however derived, shall be taxed, there would be no reason for cavil, on the ground of inequality. Every one would be reached by the assessor, and every one would