A QUESTION FOR MANUFACTURERS.

We should like to ask those Canadian manufacturers who place their fire insurance in a nondescript collection of United States companies and underwriters, unlicensed in Canada, whether since August, 1914, they have taken any steps to see that the premiums they pay do not go into enemy hands. Trading with the Enemy regulations obviously preclude these premiums going there directly. But there is not the slightest obstacle to the unlicensed American companies, with whom the Canadian manufacturers do business, re-insuring Canadian lines with companies from enemy countries, established in the States. That since the outbreak of war a considerable amount of good Canadian money has gone into enemy hands this way—and is still going—there can be little doubt. Half-a-dozen or so native German fire companies, some of them purely re-insurance companies, and one or two concerns from other enemy countries, have been doing an active business in the States for years past. Since the United States declared war against Germany, these companies have come under new regulations. As we understand these new regulations, however, the enemy companies are permitted to do business as usual in the United States, (except marine and war risks, forbidden this week) but their American organisations are not allowed, during the period of the war, to communicate with their head offices. That is to say, profits which the United States branches of these companies make during the war will not be allowed to be remitted to enemy countries before the war's close, but will come in mighty useful immediately afterwards in helping to bolster up the *post-bellum* financial position. This may not be giving aid and comfort to the enemy, but it will be very nice for enemy countries to have this substantial help, just when things are at their worst.

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As a matter of fact, and permissive regulations notwithstanding, these enemy companies in the United States are finding the air somewhat frosty for direct writing. To the American instinct for common-sense, the idea of insuring American property in companies whose homes are in Frankfort or Munich or Hamburg, at a time when the nation is getting under way a gigantic effort to beat Germany by force of arms, does not appeal. This being the case, these enemy concerns, so long as they are permitted to continue business in the States, will naturally concentrate their attention upon re-insurance—of Canadian risks among others—to keep the pot a-boiling. It would no doubt be gratifying to a Canadian manufacturer, who has sent his son to the Front and is doing his bit with Patriotic and Red Cross subscriptions, to know that quite a fair percentage of the premium he paid the other day for fire insurance on his munitions plant, went eventually to, say, the Munich Re-Insurance Company. Our manufacturer would, no doubt, be interested to learn that the American manager of this company, to which his good Canadian money went, is (unless he has been lately interned), an estimable German gentleman named Carl Schreiner, who was formerly manager in Great Britain, and by all accounts found it necessary to leave England hastily and in disguise at the outbreak of war (purely for the benefit of his health, of course), and a few months ago, when residing safely at Hartford, protested in public writings that "we Germans shall always remain Germans, *proud of our country*."

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Even if the atmosphere does continue frosty, the Munich and other made-in-Germany insurance concerns will be very busy in the States after the war, unless forcibly prevented, doing their utmost, and not too particular about ways and means of doing it, to make up their lost ground. Will our Canadian manufacturer, with his son sleeping somewhere in France, then go on insisting upon exercising the unlicensed privilege of helping pay the salaries of Herr Carl Schreiner and his spying confreres? If our manufacturer follows the present advice of the C. M. A. Insurance Committee, he apparently will.

THE NORTH BRITISH AND MERCANTILE'S NEW ACQUISITION.

Details of the provisional agreement already announced, for the acquisition by the North British & Mercantile of the Fine Art & General Insurance Company, show that the North British offers to purchase the 50,000 £1 shares of the Fine Art company at a price of £13 per share payable in 5 per cent. British war loan stock at 95. The offer is conditional on its being accepted by holders of at least 85 per cent. of the shares of the Fine Art company.

The Fine Art & General is reported as having unquestionably the best business of any British non-tariff office, so far as quality is concerned, and connections capable of great development. The Company, it is understood, will continue to operate separately.