

PROVINCIAL POWERS IN INSURANCE MATTERS.

THE PRESS VIEW OF THE SUBJECT.

It speaks volumes for the care and sagacity with which the Federal Compact was drawn up, that it has thus far stood the test so well, and given so few causes of serious complaint. It was not to be expected, however, it was not within the reach of human wisdom and foresight, that a Constitution so complicated in its details and involving so many nice points of contact between the central and the local authorities should be perfected at the outset. No great amount of prescience was needed to foresee that in the course of years questions of jurisdiction and prerogative would be sure to arise for which the Act had either failed to provide, or in regard to which, in the multiplicity of its counterbalancing and modifying clauses, dangerous ambiguities might be found to lurk. It is true that certain provisions of the Constitution itself seem, at first sight, well adapted for the settlement of difficulties of the kind indicated. The rights and supremacy of the Dominion Government in unspecified and doubtful cases were distinctly reserved. All that is now needed is the addition of some explanatory clauses to the Act of Confederation. The common sense of the people will, in all cases, look not so much upon the letter as the spirit of the Constitution, regard being had mainly to its intentions.

The decision of the Judicial Committee of the Privy Council in the test insurance cases is of far greater importance than appears on the surface. The Ontario Legislature undertook to prescribe that every fire insurance policy should be based on certain conditions, which were to be printed in red ink on the back of the policy. The Insurance Companies, however, which, not unnaturally, preferred to impose their own conditions, resisted the Act, and when in the test cases of *Parsons v. The Queen's* and *Parsons v. The Citizens'* they were beaten in the Provincial Courts they carried the cases on appeal to the Supreme Court of the Dominion. One of the exceptions taken to the Ontario Statute was that it assumed to deal with matters coming fairly under the head of "Trade and Commerce," which by the British North America Act, are assigned to the jurisdiction of the Dominion Parliament. This view was sustained on appeal by Justices Gwynne and Taschereau, but was opposed by Chief Justice Ritchie and Justices Strong, Henry and Fournier. The case was then appealed by the Companies to the Privy Council, the result being to sustain the Supreme Court and the Ontario Courts in their opinion that the Statute is not *ultra vires* of a Provincial Legislature, though the appeal has been allowed on another ground, namely, that the Statute itself has been misconstrued by the Courts here.

What is determined, however, and that beyond all possibility of question hereafter, is, that in spite of "trade and commerce" being within Dominion jurisdiction, Provincial Legislatures have a right to impose conditions on the insurer.

The judgment is in favor of the Companies on the merits of the case itself, and upholds the decision of Judge Gwynne that the Ontario Statutory conditions, while being *intra vires*, are nevertheless to be taken as forming part of every policy of insurance. The decision is of great importance as holding the legislative right of Provincial Parliaments to impose conditions upon insurance contracts, which was appealed against by the United Body of Insurance Companies in the belief that this right existed in the Dominion Government alone.

Much interest and some anxiety will naturally be felt as to the action of the several Legislatures, Dominion and Provincial, and the effect upon the powers and the duties of the Dominion Superintendent of Insurance. In the United States inconceivable expense and annoyance has been caused to the Companies by means of the innumerable and never ending exactions and examinations by Insurance Commissioners of the various States, so that we sincerely trust simplicity, unanimity and uniformity will be established by concerted action.

SUGAR REFINERIES.

One of our correspondents from St. John, N. B., complains that the rate on the Moncton Sugar Refinery has been reduced to one-third of the rate paid for similar risks in Britain; he imagines this to have been done from a desire to encourage local industries at the expense of the Insurance Companies; perhaps he is correct, as it is not many years ago since the Underwriters of Montreal were asked to take similar action for the purpose of encouraging the storage of grain in this city; but perhaps other considerations may have led to the reduction. It is quite possible for a Sugar refinery in Canada to be a better moral hazard, because more profitable, than one in England, as the manufacturers there have suffered severely from the Continental system of bounties for exportation.

FIRE ESCAPES.

PROVISION FOR ESCAPE from buildings in case of fire has secured the attention of the authorities, who seem determined that proprietors of hotels and buildings where large numbers of people are employed shall provide efficient fire escapes. Many of the appliances found in hotels, labelled "Fire Escapes," are a mere delusion, and the fact remains that in the very large majority of buildings the only chance of escape from a fire is by flight down the stairs, which may be in flames.

A FIRE ESCAPE has been placed on the Government building in Jacques Cartier street, known as the Bellevue Hotel. It consists of a machine which acts in much the same way as clock work, to which is attached a strong cord with a handle at the end, a spring hook being attached to the handle. The machine is suspended outside one of the upper story windows, with a zinc covering to protect it from the weather. The covering may be made to answer the purpose of a sign. On each occasion, as soon as the cord is relieved of its burden, it is immediately drawn up within the machine. The descent is very gradual, but the machine can be regulated to go faster.

MR. W. S. PETTIGREW, of the Marine and Fisheries Department, Ottawa, had a narrow escape from being seriously injured. He occupies a room on the third flat of the Grand Union, in that city, and he went to see how the fire escape would work, so he hitched the apparatus to the window sill and let himself out. He had dropped about half way down when, by a too sudden stoppage, the rope snapped, and he fell a distance of fifteen or twenty feet into the yard. The spot of ground upon which he struck was soft or he might have been seriously injured. As it was he escaped with a slight cut on the head.