THE INCOME TAX AND LIFE INSURANCE.

The revision of the Dominion income tax which is scheduled for this session gives the Minister of Finance an opportunity which he missed last year, of recognising the protective importance to the average individual of life insurance. It is a significant fact that despite the pressing need of a maximum of revenue at this time, the British authorities have found it neither expedient nor wise nor necessary to repeal those provisions of the British income tax acts, which allow the amount of premiums paid for life insurance, if not exceeding one-sixth of the net personal income, to be deducted from the taxable income. Certain safeguards against the abuse of the concession have been introduced in the last year or two. But the substantial allowance itself remains, in spite of the fact that the British income tax now approximates 25 per cent. as compared with 2½ or 3 per cent, when the allowance was first introduced, many years ago, by Mr. Gladstone.

The fact that in Great Britain, the liability to income tax goes down the scale of incomes much further than at present in Canada—all British incomes over $600 per annum are liable to the tax—makes, of course, this matter of considerably greater practical importance to those of small or moderate means in Great Britain than is the case here. But this greater comprehensiveness of the British tax does not invalidate the argument for some similar measure of relief in Canada. The relief is granted in Great Britain through recognition of the immense value of life insurance as a financial stabiliser. At this time, when the national need of thrift and financial stability is greater than ever, it would seem the part of wisdom on the part of the Government to give practical encouragement to a form of thrift that in many cases is more efficient as a financial stabiliser than any other. With the relief confined to those of moderate means, say with incomes up to the figure where the super-tax upon personal incomes begins, the loss to the Treasury in revenue by an allowance for insurance premiums would not be large, and, indirectly, would be more than offset by the impetus given to thrift.

NORTHERN ASSURANCE CO. LIMITED.

We learned in the Lewis Building, St. John street, this week, that the management of the Northern Assurance Company appears to have at last made up its mind that the offices on Notre Dame street occupied by the Company, as the head office for Canada for so many years, are totally inadequate for the large and growing business of such an important British institution as the Northern. We understand that definite arrangements have been completed for the removal of the head office for Canada to the Lewis Building on 1st May next. The offices to be occupied by the Company are situated on the third floor, facing St. John street, and are probably one of the choicest suite of offices in this large and centrally located edifice. The lighting is excellent and the space accommodation leaves nothing to be desired for present and future purposes.

ENORMOUS LIFE INSURANCE FIGURES.

Over eighteen billions of life insurance in force is reported by the ten largest life insurance companies of the United States. That amount, says the New York Spectator, represents over two-thirds of all the life insurance in force in some two hundred and fifty companies, including both industrial and ordinary policies, and is divided among these ten in amounts ranging from $617,000,000 to nearly four billions. Of the ten companies six have over one billion in force, while two others will, in all probability, pass that point during the current year. Of the $18,460,000,000 reported as in force, more than $13,900,000,000 is ordinary insurance and $4,720,000,000 industrial business. The year 1917 exceeded any previous year in the production of new business, the total writings for these ten companies of nearly three billions exceeding by nearly half a billion the high record of 1916. In gain of insurance in force a new record was also created, for the gain exceeded $1,329,000,000 in ordinary business and $349,000,000 industrial, as compared with $858,660,000 ordinary and $331,700,000 in 1916. On the financial side these companies show assets of over $4,388,000,000, a gain of over $322,000,000, while the surplus, after providing for all contractual liabilities, amounts to more than $546,000,000. Of that amount, $118,450,000 is apportioned for dividends in 1918, $259,000,000 is reserved for payment of dividends under deferred dividend policies in future years, while $169,000,000 represents the unassigned funds. Premium receipts last year increased by over $53,500,000, the total being in excess of $647,250,000, while the total income reached $880,000,000. These ten companies disbursed to their policyholders more than $435,000,000, of which $193,000,000 represented death claims and $242,000,000 went to living policyholders, including over $107,000,000 for dividends or premium refunds.

EMPLOYERS LIABILITY ASSURANCE CORPORATION.

The operations of the Employers Liability Assurance Corporation, Limited, of London, England, in the United States during 1917, as shown in the annual statement of the U. S. branch, have been most satisfactory, as indicated by the very substantial increase in the total assets of $3,250,000. These now aggregate $14,776,570. The reserve for unearned premiums has been increased from $3,837,410 last year to $5,112,015 to take care of the largely expanded business. Reserve for losses and claims outstanding amounts to $5,517,829, and in addition thereto the American managers make very liberal provisions for all other obligations, including $500,000 voluntary reserve for catastrophe. It is worthy of note that notwithstanding these largely increased reserves the net surplus to policyholders was more than maintained, showing an increase of $74,630 to the sum of $2,490,252.

In the United States as in Canada, the Employers Liability is a household word in its own line of business.