

tained at \$2,000,000, notwithstanding the fact that the same resolution as adopted expressly declares that "nothing in this resolution shall conflict with the provisions of the constitution or by-laws"

But, as the Insurance Chronicle pertinently asks: "If such exemption can be established, what becomes of the much boasted inducements held out to policy-holders of the Association on account of these bond statements to the extent of \$2,156,393.72 representing an 'equitable proportion of the reserve fund,' supposed by members to be available hereafter for the payment of assessments and dues? If such exemption cannot be established, where is the boasted surplus after being depleted by the above bond liability?"

"Either horn of the dilemma is an unpleasantly sharp one. It appears to us that in order to avoid meeting inevitably increasing mortality by increasing assessments, the management shrewdly procured the adoption in 1889 of the resolution empowering the directors to use the reserve fund for death losses, when 'in excess of the sums realized from current bi-monthly mortuary premium calls.' Seeing clearly that this reserve fund would be regularly depleted for the payment of death claims, and that the rapidly accumulating bonds could not be paid as stipulated, none were issued after the action above noted, but 'bond statements' issued to quiet the membership and which would mislead them into putting faith in supposed obligations which are now claimed to be just no obligations at all. Were ever such practices tolerated before in life insurance history?"

Moreover Judge Spencer calls attention to the fact that the association has ignored the laws of the state of New York by continuing in force by-laws adopted in 1888 in violation of the insurance code of the state adopted in 1892. He says "These by-laws in many re-

spects are not in accordance with the provisions of the code or the present methods of doing business adopted by the association." "In a word," says the Insurance Chronicle, "it is clearly shown in the report of the New York Insurance department that the business methods of the Mutual Reserve are contrary to its own rules and regulations, that these regulations conflict with each other, that its reports and by-laws are not in conformity to the laws of the state and that reconstruction is imperatively needed to ensure the permanent stability of the association."

EDITORIAL COMMENT.

The reserve held in the Dominion treasury to protect Government notes is \$7,428,172, in excess of what the law requires. Commenting on this the Trade Review says "the treasury is in a very strong position as regards its stock gold. It could therefore enlarge the Dominion note circulation by several millions and still be within the limit of the law without adding a dollar to its stock of gold." How different to this the position of the United States!

Here is what a Montreal paper says: "What do our British friends, who judge Canada by snow pictures, think of this. On the 5th of May there was not a glimmer of green on the trees on the Montreal mountain side; on the 8th they were sheened over with young leaves, and now, a week later, many are in full leaf." Snow pictures we may say utterly misrepresent the island of Vancouver and a great part of British Columbia where we are seldom, if ever without leaves and flowers, and have none of the discomforts attendant on the preparation of the pictures in which so many people delight. Our climate is one of the most equable and delightful to be experienced anywhere.

The Queen has, we observe, on the occasion of her birthday conferred upon Collector of Customs Milne, Victoria, the honor of C. M. G. Similar marks of honor have been bestowed on other people, but in Mr. Milne's case the distinction signifies the royal appreciation of the assistance given to the home authorities by Mr. Milne in connection with the Behring Sea controversy and attendant negotiations. We must congratulate Mr. Milne on his preferment.

The Victoria sealer Shelby has, it is announced, got herself into trouble for an offence against the sealing regulations. What the exact nature of the offence is we have not learned. She was, it is said, seized by the U. S. Corwin and turned over to H.M.S. Pheasant, by which she was ordered to Victoria to surrender at once to Collector of Customs Milne. The schooner is owned by Louis Wille of this city and commanded by Captain Claussen, and if the charge be proved she is liable to forfeiture and her captain to imprisonment.

"Fooling with contractors" is the suggestive title of an article in a Montreal contemporary which refers to a case in which after tenders had been called for a church it was found that the offers from local builders and tradesmen were very largely in excess of those made by persons outside the town. Instead of following the perfectly proper and natural course, however, an effort it seems was made by the church builders to set the outside tenders aside, and induce the local contractors to bring down their prices nearer to the figure of the non-residents. The adoption of this course it is properly remarked was dishonorable, the more so as the difference ran up into the thousands and appears to have been an organized cinch on them. We in Victoria have been of late considerably exercised over the questions of contract and day labor and therefore the experiences of other people which in some respects are not so much unlike our own, are of some interest to us.