

beneficially upon the stability of insurance companies, and the publicity given to regular and uniform statements demanded by a national law would act as a searchlight upon any attempt at fraud.

"Third, the strength of a nation lies in the home of its people. A business which has for its object the preservation of the home merits the protection and support of any government. It should, therefore, be the earnest aim of every life underwriter to impress upon the people of this country the dignity and importance of national supervision over insurance in all its branches."

AN ACT OF THE PROVINCE OF QUEBEC RESPECTING TAXATION OF INSURANCE COMPANIES.

(Passed March, 1900.)

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

1. Article 1144 of the Revised Statutes, as enacted by the Act 59 Victoria, Chapter 15, Section 1, is amended by replacing the fourth clause by the following:

"Insurance Company" comprises life, ocean, marine, inland, transit accident, sickness, health, live-stock, plate-glass, steam-boiler, burglary, registry and identification, guarantee and employers' liability, and any other kind of insurance companies or associations issuing policies in their own name or through an agent or broker, whether under the assessment system or otherwise, but does not include mutual insurance companies recognized by or established under the seventh or eighteenth sections of chapter third of title eleventh of the Revised Statutes.

"Premium" means any sum payable as consideration for insurance, and includes the first premium payable upon a policy of insurance, and the annual or other premiums thereafter payable thereon, whether for renewals or otherwise, and gross premium means such premium after reduction of return premiums and cancellations."

2. Article 1145 of the Revised Statutes, as enacted by the Act 59 Victoria, Chapter 15, Section 1, is amended by replacing the third division thereof respecting insurance companies by the following:

"III.—INSURANCE COMPANIES.

"With the exception of the mutual insurance companies exempted under Article 1144, and of marine insurance companies, on every life insurance company which transacts business in this Province, a tax of one per cent., and on every other insurance company of two-thirds of one per cent., calculated, in both instances, upon the gross amount of premiums whether received or become due for insurance effected or renewed by such company, in the Province, during the preceding calendar year, provided that in no case shall the said tax be less than two hundred and fifty dollars; but in the case of mutual fire insurance companies, which receive premiums in cash, the tax shall be calculated upon the gross premiums received in cash in respect of insurance transacted on the cash plan in the Province by the company during the preceding calendar year, whether on new policies issued or on renewals.

"Insurance companies so receiving premiums on policies issued in favour of any person domiciled in this Province or respecting any property in this Province, shall pay the said tax upon the full amount of such premiums, whether for original insurance or re-insurance. In the case of re-insurance, however, the principal company shall be exempt from the tax imposed by this Act on the portion of the premium paid to the re-insuring company, if the latter does not do business in this Province, and if such re-insuring company does not do business therein, the principal company shall be liable for the tax on the full amount of the premium.

"Where insurance is effected through an agent or broker, with any company not subject to taxation under this Act, such agent or broker shall be obliged to pay the same tax, and shall incur the same penalties, as if the insurance effected through him were effected by a company doing business in the Province.

"In the case of marine insurance, on every person, firm or company engaged in carrying on the business of marine insurance as principal, agent or broker, a tax of two hundred and fifty dollars on such business.

"A tax of three per cent. on the gross premium on fire insurance effected on property in the Province of Quebec, with companies not having representatives or agents therein, and not paying any tax under the other provisions of this Act."

3. Article 1148 of the Revised Statutes, as enacted by the Act 59 Victoria, Chap. 15, Section 1, and amended by the Act 61 Victoria, Chapter 15, Section 1, is replaced by the following:

"1148. On or before the first day of May in each year, every commercial corporation or company doing business in the Province, in its own name or through an agent, shall, without awaiting any notice or demand to that effect from the Government, forward in duplicate, to the Provincial Treasurer, a detailed statement, in which shall be set forth in so far as required, in view of the collection of such taxes, by that part of Article 1145 referring to each class of commercial corporations and companies, the name of the corporation or company, its nature, the amount of its capital paid up, the number and situation of each and all of its offices, places of business, agencies, stations, factories and workshops; and in the case of railway and tramway companies, the number of miles in operation in the Province; and in the case of companies doing business in the Province by either leasing or hiring sleeping, dining, parlor or buffet cars to any railway company, or when sleeping, dining, parlor or buffet cars run upon the track or line of, or are used by any railway company in this Province, such vouchers respecting the number of such cars and the amount of the capital invested therein by any such company as may be required by the Provincial Treasurer.

"Every insurance company shall keep a separate book or register, in such form as may be determined by the Provincial Treasurer, in which shall be correctly entered, the premiums earned by the company in respect of or accruing from business done by the company wholly or in part in the Province, and in default thereof, and also in default of compliance with Article 1145, the company shall pay the tax upon the total gross income of the company, as established by the report of the Superintendent of Insurance of the Dominion of Canada, or by the Provincial Insurance Inspector, as the case may be. The said register shall at all times be open to the examination of the comptroller of provincial revenue.

"Any person acting as a broker for one or more insurance companies, which do not carry on the business of insurance in this Province and have no office or place of business therein, shall furnish the same statements and information, keep the same kind of registers and make similar entries therein, as if he were acting for companies doing business in this Province.

"Every year also, on or before the first day of May, every person or firm carrying on business under a corporate name, without being incorporated, shall notify the Provincial Treasurer thereof, without awaiting a notice or demand from the Government, and so as to satisfy the Government that such person or firm is not liable to the payment of taxes imposed by this section.

"If the Provincial Treasurer, in order to enable him to determine whether a statement furnished is correct, desires to obtain further information, he may, by registered letter addressed to the president, manager, secretary or agent of the company require a further statement attested under oath to be furnished within thirty days under a penalty of five hundred dollars."

4. Article 1149 of the Revised Statutes, as enacted by the said Act, is amended by replacing the words "marine insurance companies, described in the preceding article" in the fourth and fifth lines by the words: "Insurance companies which do not carry on the business of insurance in this Province."

5. This Act shall come into force on the day of its sanction.

AN ACT OF THE PROVINCE OF QUEBEC TO AMEND THE LAW REGARDING THE INSPECTION OF INSURANCE COMPANIES.

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows:—

1. Article 5382 of the Revised Statutes is replaced by the following articles:—

"5382. Once in every five years, or oftener, at the discretion of the Provincial Treasurer, the inspector shall himself value, or procure to be valued, under his supervision, all the policies of companies, and the first inspection shall be made after the first day of January, 1901; and such valuation shall, as to policies issued on or after the first day of January, 1901, and bonus additions or profits accrued or declared in respect thereof, be based on the mortality tables of the Institute of Actuaries of Great Britain, and on a rate of interest of three and one half per centum per annum."

The word "policies" applies to annuity contracts as well.

"5382a. If it appear to the inspector that the liabilities of any company, including matured claims, and the full reserve or re-insurance value for outstanding policies estimated or computed on the basis mentioned in the next preceding article, exceed its assets, or that its assets are insufficient to justify its continuance of business, or that it is unsafe for the public to effect insurance with it, he shall report the fact to the Provincial Treasurer."

2. The following articles are added after article 5394 of the Revised Statutes:—

"5394a. In computing or estimating the reserve necessary to be held in order to cover the liability to policy holders, each company may, as to policies issued on or after the first day of January, 1900, and bonus additions or profits accrued or declared in respect thereof, employ any of the standard tables of mortality as used by it in the construction of its tables and any rate of interest not exceeding three and one-half per centum per annum. But if it appear to the inspector