

and Auditors, and the Institute of Municipal Treasurers and Accountants of England and Wales, the Society of Accountants in Edinburgh, and the Scottish Institute of Accountants, Glasgow, to confer and report upon the matter.

After discussion upon the retention or deletion of the words "*on business lines*," parts of amendments were adopted, and the resolution was enlarged by the recommendation, that:—

So far, as possible, the standardisation of municipal and local accounts on business lines, and recommends that so far as practicable such accounts be kept on the basis of income and expenditure, and also that trading and profit and loss accounts be prepared yearly of the various commercial undertakings of such authorities

The amended resolution was carried without dissent. Resolution No. 3, proposed by Mr. Fisher, (London Chamber), and seconded by Mr. C. Hewetson Nelson, F.S.A.A., (Liverpool Chamber), sets out:—

That this conference while welcoming the departmental committee recently appointed to enquire and report with regard to "the systems on which the accounts of local authorities in England and Wales, etc.," should be kept, is of opinion that it should be strengthened by the addition of independent members connected with practising accountancy, having regard to the recommendations of the joint select committee on municipal trading

Of the appointees to the Departmental Committee, seven out of eight were connected with the Government officials, or their departments. The only independent accountant was one who certainly carried weight, being the president of the Institute of Chartered Accountants, Mr. John Gane, F.C.A. It was seen that the committee ought to be strengthened in the discussion of the professional and independent audit system advised. The resolution was adopted. It was decided the committee should at once ask leave from the president of the Local Government Board, the Right Hon. John Burns, M.P., to give a day upon which to receive the resolutions.

THE LIFE ASSURANCE ENQUIRY.

In one of our insurance exchanges from the United States, the "Chicago Argus," it is remarked upon the investigation which has been begun into the life insurance companies doing business in Canada, that: "Right at the start the statement is made that there is no question as to the solvency of any one of them. Had the Armstrong committee reassured the people of the United States at the beginning instead of at the end of their inquiry, a great deal of suffering and hardship might have been saved to the beneficiaries of misguided and scared policyholders." And the journal goes on to say that it is very significant that, in looking over a great proportion, fully three-fourths of life policies lapsed during 1905 were for amounts of \$2,000, and under. This, the writer contends, is likely to have been the result of the blind and violent attacks of certain newspapers upon life assurance people and institutions generally, causing poor and ignorant folk to cease paying premiums under the impression that their insurance was no good. Holders of large policies, who had better sources of information, did not so sacrifice their policies.

The Canadian investigation, so far as it has proceeded, shows that there were irregularities on the part of certain life companies, some of which are un-

mistakable, and others of which, with respect to investments for example, are characterized as such under the Insurance Act as it is interpreted by the Department of Justice. But it is not practical to draw any general conclusions as to the adequacy of the Act or the punishment of companies at the present stage of the enquiry. Nor would it be fair. It is quite possible that some companies may be prejudiced at the moment by a partial presentation of their affairs before the Commission. At any rate, complaint to this effect has been made by one or two companies, coupled with a demand that they be allowed to be heard in explanation of certain circumstances. Some of the writing about certain companies that has been done already by newspaper editors and their correspondents consists rather of abuse than of reasonable argument, and is not calculated to do good but rather to unsettle the minds of people already insured or intending to insure.

The New York "Monitor," in commenting upon the Canadian commission thinks there is a prospect that it will be more fair in its methods and more intelligent in its findings than the New York one. Respecting the attack made upon one of the Canadian commissioners, that journal says that even if some of the life insurance companies may be found to hold stock in companies of which Mr. Langmuir is a director, "The fact in itself would not have any importance, or in any measure disqualify Mr. Langmuir; but it might be sufficient to send the yellow dailies and ten-cent magazines into spasms." However, in view of Canadian conservatism, and with the example of the Armstrong Committee before them, it continues, "we do not believe that our friends across the border will indulge in any extravagances that will work injury to the great and beneficent institution of life insurance, or injustice to the companies that are carrying on the business."

Meanwhile, the commissioners have secured the services of Miles M. Dawson, the well-known New York actuary, and will resume their sittings in a short time.

ADDENDUM TO THE FEBRUARY BANKING REVIEW.

Some sentences were left out of our Financial Review in last issue. As part of the closing paragraph the following should have been incorporated, where dealing with current loans and public deposits. Current loans, it was remarked, had increased in three years 42 per cent.; i.e., from \$331,640,000 in February, 1903, to \$414,233,000 in the same month of 1905.

Total assets have increased from \$822,959,000 to \$828,518,000, being \$104,741,000 more than in February, 1905. This is certainly a most extraordinary record, even for a year of unexampled progress. In the year ending 29th February, 1904, total assets increased from \$613,850,000 to \$659,000,000; and by the 29th February, 1905, a further increase to \$723,777,000 had been recorded, being \$109,927,000 in the two years. Now we have in one year an increase of \$104,741,000, or very nearly as much as in the two previous years combined. There is no reason to doubt that on the whole the assets are now of as good a class as they were two or three years ago, but the feverish anxiety for business which some of the banks are now showing gives us occasion to wonder whether applications for credit are in all cases considered as carefully and dealt with as conservatively as they should be.