

kind of Canadian currency which was not convertible into gold readily and promptly, except during a few weeks of war time in 1837, which has several parallels in British history. Any doubt therefore about Canadian currency being "equivalent to sterling" is only founded on an unreasonable, speculative, unpractical theory.

Our correspondent concludes his letter by saying:

One who signs himself "a Canadian settler" in a letter to the *Investor's Review* says: "The municipalities are over head and ears in debt. They have borrowed on assessments of property values notoriously 30 per cent. too high."

It is difficult to read such a remark patiently, its utter falsity is "notorious" to every well informed Canadian. All taxation is based on assessments. Can any sane person believe that Canadians are so stupid, so fond of paying taxes, as to submit to being taxed 30 per cent. higher than the limit fixed by the law?

The law is that assessments must be fixed by the saleable value of properties, and the universal custom is for assessments for taxing purposes to fall from 10 to 50 per cent. below their market value. Not a single case has ever occurred in Canada of a municipality defaulting in the payments involved by its debentures. Having handled such securities on a large scale for many years, we know whereof we speak in this matter, and repudiate with indignation, as utterly without foundation, the reflection cast on our municipal securities by "a Canadian settler." No people in the world are more jealous of their credit than Canadians, they stand ready to pay in gold every dollar for which they are liable at the maturity of the debt, and if anyone doubts this, let him present his claim, and he will with all promptness find it liquidated in gold, or in some currency quickly and surely convertible into gold.

The President of the National Union Bank of New York, in a recent public address, said, "Canada is a gold standard country." Ever since there has been any legislation on the subject in Canada, this country has been thoroughly imbued with English ideas, not those of the United States, in Finance, Currency and Banking, and this must always be the case, as this Colony is part of the Empire, and its legislation is subject to the approval of the Imperial authorities. Were there any such change attempted to be made in our loans as would place our currency on some other than a gold basis as it now rests upon such purposed legislation would rouse intense opposition in Canada and, if passed, would be vetoed by the Home authorities, as it would be regarded as repudiatory in character, and therefore subversive of Imperial interests.

#### THE MUTUAL OBLIGATIONS OF INSURER AND INSURED IN LIFE INSURANCE CONTRACTS.

Continuing our investigation of the importance of the various questions contained in the application blanks of different Life Insurance Companies, we find in many blanks a question as to whether any physician has given an unfavorable opinion of the person's life.

To some extent, of course, this question is implied in the question we had under consideration in our last issue, viz., to the extent that such an unfavorable opinion may have resulted in a previous rejection for insurance, or refusal to grant the kind of policy applied for, but it may and does have a specific application beyond this. The applicant may have had occasion to consult with various physicians for various actual or imagined diseases or complaints, and if such consultations have given rise to the expression by any physician of an opinion unfavorable to the life of the applicant, such fact should be communicated to the Company.

In connection with this question we may take the inquiries as to whether the person is now in good health and whether he generally enjoys the benefits and privileges of good health. Of course these questions are intended to elicit the fact as to the general physical condition, and are not supposed to have any particular reference to mere trivialities like an occasional cold or toothache. Following them, and as a continuation of the purpose for which they were asked, come the inquiry for the name and residence of any physician or physicians who have been consulted by the applicant, or attendant upon him during any of his sicknesses, and as to what they were consulted for and when.

These questions should always be very carefully answered, and if the applicant has had any illness from which he has made what he considers to be a perfectly good recovery, he should state it ruthfully, because these questions are asked with a definite purpose, and an inaccurate answer may go very far towards misleading the Company as to the character of the risk. This will be readily understood when we bear in mind how frequently certain sicknesses or illnesses in the past may be of value in indicating the tendency to other sicknesses or illnesses in the future.

It is manifestly best, therefore, that when an applicant appears before the Medical Examiner, he should state, as accurately as he can, all sicknesses, or even indispositions, that he can recall, in order that the Medical Examiner can weigh them and determine whether they are of sufficient importance to embody in the record.

The Medical fraternity are exempted by provision of law from the necessity of disclosing information acquired by them in their professional capacity while attending their patients. As this would render it impracticable for a Company to ascertain the importance that they should attach to any sickness of an applicant, it is required that he should specifically release any physicians who have attended him from this seal of secrecy, and leave them free to state what they know as to his physical condition. All applications contain this question in some form or other: "Does the person expressly waive all provisions of law prohibiting or forbidding his physician or surgeon from disclosing such information as he may have acquired while attending him in a professional capacity?" and it is very safe to assume that a Company will not issue a policy applied for unless this particular inquiry is answered unqualifiedly in the affirmative.