

for the nation to pay hereafter. Again, while the banker retains a safe percentage in cash or at call to provide for any inordinate demands the Post Office provides practically nothing.

While agreeing with Mr. Holden as to the unfair character of the competition of the Post Office Savings Bank, the Financial Editor of the Standard, who is also the Editor of the Bankers' Magazine, expresses the opinion that there is also a good deal of unfair competition between the banks themselves; and adduces evidence where accounts have been pitched from banks by competitors offering a high rate of interest. "We are well aware," says this writer, "that we live in a competitive age, in banking as in other matters; all the same we are convinced that some day it will be found that if the present undignified competition between our great banking institutions is allowed to go on unchecked, the result will be more harmful to their prestige and standing than they seem to imagine."

#### Opposition to Railway Combination.

Opposition to the new British railway policy of combination instead of competition is steadily developing, and it is already clear that the leading proposal of this kind, for the merging as one undertaking of three large companies serving London and the north and east of England will result in a very prolonged and expensive Parliamentary struggle. The position of the government, as interpreted from a speech made by Mr. Churchill in his capacity as president of the Board of Trade this week, appears to be a good deal in advance of its supporters. Mr. Churchill, speaking to a deputation of north-east coast interests, who are opposing the bill tooth and nail, was benevolently neutral on the subject, arguing that there were other ways by which the railways could achieve their ends instead of by coming to Parliament in a perfectly frank fashion. To a certain extent they could do so, but it is quite clear that unless the companies receive the fullest powers, they will be unable to effect the extensive economies which are anticipated and hoped for by shareholders. However, the Radical Members of Parliament and Socialists who form the Railway Nationalisation Society are joining hands with merchant princes in the north, who fear less favourable terms for the carriage of their goods in the future, in opposition to the bill, and there will be one of the biggest Parliamentary fights we have seen of late years. Next to the Budget there is no subject of more interest to the city on the tapis, and the outcome will be awaited with no little anxiety.

#### Are Insurance Agents Over-Paid?

Among the insurance topics which have lately been taking prominence is the evergreen one of agents' commissions, and allegations of the excessive amounts paid by various companies in this direction are being made very freely. The complaints are principally centred in the amounts paid for the introduction of new lives, and there appears to be no reasonable doubt that, so far as these are concerned, the tendency of late years has been distinctly upward. Keen competition—that scapegoat for so many sins—is reputed to be the cause, together with the very natural desire of some of the young and pushing offices to get on level terms with their big neighbours. That the

evil has attained some proportions is evidence of the fact that three British offices, with considerably larger expense ratios than their competitors have lately found it necessary to pass their bonus. On the other hand, there is no evidence that the payment of unjustifiably large commissions is indulged in by more than a section of British life offices, and a more pressing matter would appear to be the stoppage of what is little less than consistent misrepresentation by the agents of the less reputable industrial insurance companies.

#### Insurance against Unemployment.

One of the humorous touches of the week is the issuance of a prospectus against loss of employment. An excellent idea! But why should there be a stipulation that when 10 p.c. of the assured are out of employment at the same time, a levy shall be payable by those who are in situations, and why, more strange still, if 20 p.c. are out of employment it should be interpreted as a "national calamity" and a special meeting be summoned to consider the future? No rush for policies under these conditions has been recorded up to the present.

A case just decided by the Court of Appeal lays down distinctly that a husband, as such, has an insurable interest in the life of his wife. In the case in question plaintiff effected an insurance on the joint lives of himself and his wife. A few days afterwards the wife died, and the company resisted the claim on the ground that plaintiff had no insurable interest. The court, however, found the contrary that the husband had "the personal interest founded on affection and mutual assistance" apart from any pecuniary interest. As a matter of fact policies similar to the one in question have been issued by reputable British insurance companies for some years.

Complaint is made of the methods adopted by some insurance companies, more particularly those of recent date, in advertising their capital. Without any clue to the actual resources in paid-up capital and invested funds, a big splash is made with the meaningless figures of the authorized or subscribed capital. For instance, one company started in 1905, boldly advertizes. "Authorized and subscribed capital £100,000," when the actual amount of the paid-up capital is only £5,000. The figures given, while literally true, are entirely misleading to the thoughtless public and this seems a case where the Board of Trade might step in with advantage to secure a more definite statement as to the amount of resources actually available in case of disaster.

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#### UNITED STATES TARIFF CHANGES.

While the introducing of the new tariff bill in Congress does not yet fix the exact changes that will be enforced, the general drift can be pretty well judged. Canadian steel interests will not view with disfavour the marked reduction in duties on steel. The placing of wood pulp on the free list, and the reducing of duties on lumber and paper indicate that an effort is to be made to help forest conservation in the United States by drawing more largely upon Canada's resources. Which emphasizes the necessity for a practical alertness in conserving natural wealth on this side of the border-line.