

\$12,000,000 annually in round numbers, and which during the thirty-three years has grown to the great sum of nearly \$150,000,000. "The greatest portion of the burden which the State has imposed upon life insurance," says the Age, "is in the shape of taxes on premiums, or for the support of insurance departments largely conducted for political purposes. This is an evil which ought to be swept away, and it is cheerful to know that two great bodies of insurance companies are now working upon the matter of a reduction of taxation, and especially upon some uniform plan to be adopted by the various states. This uniformity itself will prove a great boon to the companies by lessening the expense of detail work which they are obliged to perform. The great vice of most life insurance taxes lies in the fact that those who have had the foresight and the thrift to provide for their families in this manner, are called upon to unjustly divide the burdens of the State with those who are thoughtless and improvident for the future."

Affairs in London.

(Exclusive Correspondence of The Chronicle.)

The Position of Consols—Banks' Extensive Holdings and Private Investors' Declining Interests—Suggestions of Consols as Legal Tender in Payment of Government Accounts—Cable Developments.

When Consols stood at 83 I asked an underwriter to obtain for me a quotation of the premium which would be required for an insurance against a fall in Consols. The reply was "10 p.c. against a fall to 60 with benefit of salvage." The cost was so heavy that I referred the matter back, but was assured that the figure had been correctly quoted. With Consols at 78¾ this week, the rate does not, after all, appear incredible. If Consols fell to 75 and war broke out with Germany it is not at all improbable that Consols would ultimately go to 60. There was a general belief in the city a few weeks ago that Consols would not go below 80, because the banks and financial institutions would support the market in order to prevent the necessity of writing down their holdings of Consols to 75. There are half-a-dozen joint stock banks in the United Kingdom which hold between them about £130,000,000 of Consols, and, altogether the finance houses and institutions of the country probably hold at least four-fifths. Out of £211,000,000 of gross value of personality in the United Kingdom which passed under will or intestacy in the year ended March 31st last, the amount invested in the stocks or funds of the United Kingdom was only £7,900,000, which represents personal investments. The amount has steadily fallen from £12,200,000 in 1899-1900 when the proportion was 6 p.c., whereas in 1909-10 it was less than 4 p.c. The amount in Colonial and Foreign stocks in 1909-10 was £12,000,000 or not quite 6 p.c. and in shares and debentures of public companies over £91,000,000 or about 45 p.c. Consols seem thus to have almost ceased to be private investments and to have passed into the ownership of corporate institutions. The great

advance in the credit of North and South America has also militated against extended investments in Consols. Testators have now sufficient confidence in the stability of the Colonies to feel justified in leaving to their legatees Colonial government and municipal securities yielding from 3½ to 4 p.c., whereas formerly they would have directed that the estate should be invested in Consols.

Consols as Legal Tender.

All kinds of suggestions continue to be put forward for the improvement of the popularity of Consols. One suggestion, which has previously been referred to in this column, is that Consols should be standardized at £100 and made good value, that is legal tender for that amount. This does not seem practicable as it would practically introduce a paper currency standing at a discount into Great Britain. It would, however, be possible to make Consols legal tender in payment of government accounts. The government bonds of many countries are made legal tender at par in payments for concessions, etc., to the Government, and there appears to be no tangible objection to the introduction of the principle here. The Government received, in respect to the greater portion of Consols, £100 per bond, and in equity they should accept such bonds at the same figure in payment of debts.

"All-Red" Cable and United States Trust.

The announcement which was made this week that the Atlantic cables may very shortly pass under the control of a great United States Trust has aroused renewed interest in the question of an "All-Red" cable route—that is to say, an "All-British" line between the mother country and the overseas Dominions. The Atlantic cable is the only part of that connection which is not "All-British," but it is a vital part of the link between England, Canada and Australasia, and every effort should, in financial and political opinion here, be made towards preventing its control passing out of British hands entirely.

The Anglo-American Telegraphic Companies.

There is a recurrence this week of the reports respecting negotiations between the various Anglo-American interests. It is now stated that not merely is the Anglo-American negotiating with the American Telegraph and Telephone Company, but that there will be a big pooling arrangement in which will be included the Western Union and the Direct United States Cable Company. The report is accepted in the Stock Exchange as having some foundation.

The Charing Cross Bank Failure.

The failure of the Charing Cross Bank appears to have caused more widespread trouble than was at first assumed. Influential committees are being formed in all parts of the country, and pitiful stories of the ruin the failure has wrought among poor families are already appearing in the papers. The Lord Mayor was approached this week with a view to the opening of a Mansion House Relief Fund, but felt it necessary to decline. In this attitude he will probably have the support of the public, because it must not be overlooked that the people who have suffered from the Charing Cross Bank disaster are those who wanted big rates of