

Canadian Manufacturers Association Objects to Tax on Unlicensed Insurance Companies

A meeting was held on the 27th instant of the premium payers' committee of the Canadian Manufacturers Association, presided over by Mr. R. M. Ballantyne, others present included Messrs. A. K. Cameron, Willis Faber, W. P. Mercer, S. W. Dickson, J. W. Fawcett, E. C. B. Featherstonhaugh, James Gardiner, R. H. P. Gray, R. B. Lindsay and R. C. McIlhiney.

The object of the meeting was to consider expected proposals in the forthcoming budget at Ottawa, by which insurance institutions not licensed to do business in Canada, will have to pay a tax of 15 per cent. on all premiums collected. It was claimed that the imposition of such a tax would mean prohibition, so far as these institutions were concerned, and, instead of supplying additional sources of revenue to the Government, it would simply put these insurance groups out of business altogether, thus killing the goose that might lay the golden eggs.

It was stated after the meeting that this provision is aimed at what are known as "reciprocals" and "mutuals," or associations of business firms which engage with one another as reciprocal insurers against fire, charging each member a flat rate for fire insurance, and at the end of each year declaring dividends on the profits of the association. It was stated that a large number of firms here had gone into this system of co-operative insurance, which considerably decreased the cost of their policies, while the "reciprocals" issued forms of policies which no ordinary fire insurance company would consider, covering fluctuations in stock and other details not allowed for in ordinary fire insurance.

It was not, however, recorded at the meeting of these enlightened, and we hope patriotic gentlemen, that these unlicensed insurance institutions, at the present time maintain no offices in Canada, and consequently pay no salaries, no business taxes, either Municipal, Provincial or Federal, and consequently the rates should be much lower than those of regularly licensed institutions, that in addition to giving employment to very many thousand individuals throughout Canada, are also heavily burdened by both business, and other innumerable taxes, in addition to having large deposits to maintain at Ottawa. Under such conditions it is not surprising that these foreign mythical companies are frequently enabled to take the Cream of the fire insurance business out of this country. The gentlemen above referred to, in their desire to save a few hundred dollars in this very questionable manner, overlook the fact that

if all other consumers carried out this business policy to a logical conclusion by buying all their manufactured requirements in foreign countries, there would be no occasion for a Canadian Manufacturers Association.

The above unlicensed institutions while very often furnishing very questionable security, are at present permitted by the government to collect premiums aggregating some millions of dollars each year. The imposition of an equitable tax on premiums would no doubt result in a very substantial revenue to the government by these unlicensed institutions, and it is hoped that some justice will be done in this respect.

Liverpool & London & Globe Insurance Company Will Operate Maritime Provinces From Montreal

For forty-nine years Mr. Wm. M. Jarvis, St. John, N.B. has acted as general agent of the Liverpool & London & Globe for the Maritime Provinces. Owing to advancing years and failing health, Mr. Jarvis has resigned as from the 1st May. While fully appreciating Mr. Jarvis's long and devoted services, the company has felt compelled to accept his withdrawal, and in future will operate that territory as a sub branch under Montreal.

We understand that Mr. J. C. Mitchell who has been thirty years with Mr. Jarvis will act as local manager.

MEETING OF JOINT COMMITTEES OF C.F.U.A.

A meeting of the various Joint Committees of the C. F. U. A. in preparation for the Annual Meeting, which will probably be held in St. Andrews, N.B. in June, was held in Montreal on the 26th and 27th instants, a number of matters were discussed, and no measures involving any great change were decided upon. These meetings were followed by a meeting of the All Canada Insurance Federation, which discussed the proposed new amendments to the Dominion Insurance Act, and also the business profits war tax. The following Toronto members were present: J. B. Laidlaw (Nor. Union); P. McCallum (Hartford); A. M. Kirkpatrick (Home); W. Robins (Great American); Jos. Murphy (Springfield); C. C. Hall (Nova Scotia); Lyman Root (Sun); T. H. Hall (General of Perth); J. H. Riddell (British Dominions); E. F. Garrow (Brit. America); Joseph Minty (Union of Canton); J. R. Pringle (Western); W. E. Fudger (Ocean); J. R. Hounsom (London Guarantee) and G. Sherritt (St. Paul).