

approximately \$25,000 a day in interest. Six per cent. would mean \$16,000 per day or \$500,000 per month.

However, it is altogether likely that during this month our banks will be obliged to reduce their call loans abroad and bring funds home to Canada no matter what rates prevail in Wall Street. Their note circulations and demand deposits are likely contracting as they always do in January; and the outside call loans quite probably will be expected to provide the wherewithal for redemption.

#### C. F. U. A. REMOVED MONTREAL SURCHARGE.

This week, the Canadian Fire Underwriters' Association decided to do away with the surcharge on Montreal fire risks, made necessary two years ago on account of the repeated break-down of pumps and inadequacy of water pressure. As first imposed, the surcharge was a flat one of 50 cents per \$100 in the down-town congested district, and 25 cents elsewhere. Some nine months ago, it will be remembered that the charges were reduced to 12½ cents per cent. on down-town premiums, and 5 cents per cent. uptown. During the summer increased pumping capacity has been secured, though the underwriters desire a still wider margin of safety between water supply and possible needs. However, they count upon further enlargement of the "cut" in the near future affording abundant water to enable the hydraulic pumps to be operated at all seasons of the year. In the meantime the entire abolition of the surcharge means a saving in rates to Montreal of about \$100,000 per annum.

Other circumstances to be noted have been the improvement of late in the management and personnel of the civic Fire Brigade, and the more up-to-date equipment of the fire alarm system.

In reply to a daily contemporary which ascribed to the underwriters an ulterior motive in reducing Montreal rates, Mr. J. Gardner Thompson has written to its editor, pointing out that the action had nothing whatever to do with the question now before the Senate, nor was the Insurance Act referred to when the rate reduction was considered. He affirms that the removal of the surcharge is merely a recognition that the special defects in the fire protection necessitating its imposition have been remedied.

In the daily referred to, it was suggested that Parliament should not deprive large insurers of the right of getting insurance where it best suited their interest. The conclusion drawn is that this contention is against the Insurance Act as it now stands and in favour of the Government doing away with any supervision of fire insurance companies whatsoever. It can hardly be assumed to advocate that the Government should treat some companies in one way and others quite differently.

Mr. J. Gardner Thompson concludes his reply as follows:—"I would point out that the companies did not ask the Government to legislate regarding fire insurance, although they have no fault to find with their having done so, and the licensed companies have fully complied with the regulations. They do urge, however, on principles of equity and fair play, that Parliament having enacted a law for the governance of fire insurance companies should see to it that no company or association or their representative should operate in this country unless they comply with the law and obtain a license in the manner provided,"

#### AN INTERNATIONAL GATHERING OF LIFE COMPANY OFFICERS.

A large attendance of executive officers and medical directors of both American and Canadian life companies is looked for at the third annual meeting of the Association of Life Insurance Presidents, to be held at the New Willard Hotel in Washington, D.C., on January 19th and 20th. President Taft is to address the gathering at some length at one of the sessions.

The formal programme has been divided into three sections. The first section will deal with "The Problems arising from Dissimilarity of State Laws and Conflict of State Practices." Papers on this subject will be delivered by Mr. L. G. Fouse, President of the Fidelity Mutual Life Insurance Company of Philadelphia; Judge George H. Noyes and Hon. John A. Hartigan, President of the National Convention of Insurance Commissioners.

(The second section of the programme will be devoted to health conservation. Walter Wyman, M.D., Surgeon-General of the Federal Public Health and Marine Hospital Service, will speak on the subject "Work of the Federal Government in the matter of Health Conservation," M. J. Rosenau, M.D., will speak on "The Enlistment of a Health Militia." E. W. Dwight, M.D., will deliver an address on "Latent powers of life insurance companies for the detection and prevention of diseases."

The third section of the programme will deal with the amalgamation of life insurance companies or the re-insurance of one company by another.

Following the delivery of the formal papers on each of those three general subjects, there will be held a general discussion in which all present will be invited to join.

#### ACCIDENT COMPANY WINS CASE.

Mr. Justice Cassels gave judgment this week in the Exchequer Court, at Ottawa, in the case of the King vs. the Dominion of Canada Guarantee & Accident Insurance Company. The case arose in connection with a bond given by the defendant company on the 1st day of September, 1906, in the sum of \$18,000 under the Manitoba Grain Act, 1900, as surety for the Wheat City Flour Mills Co., Ltd., Brandon, Man., the holders of certain elevator licenses issued to them by the warehouse commissioner for the inspection division of Manitoba. The surety became bound by the bond to pay all penalties which the principal (the Wheat City Flour Mill Co.) should become liable to pay for any defaults under the provisions of the Manitoba Grain Act. The court by its judgment found that there was no liability during the continuance of the licenses, and no breach of the condition of the bond by the Wheat City Flour Mill Company during the period in which the bond was in force. Judgment was therefore given dismissing the action of the Dominion Government, with costs to the defendant company.

A MOTION was brought up on the Montreal Stock Exchange this week asking for the appointment of a sub-committee to consider the question of creating an insurance fund for the members.