

THE LIFE COMPANIES' CASE.

The first round of the test case which is being fought by the Canadian life insurance companies in the Province of Ontario on the question of provincial taxation of insurance premiums, has gone against the companies. Justice Middleton finds that the mode of assessment provided is not *ultra vires* of the Province, as contended by the companies. This decision, we understand, will in all probability be appealed against. The companies have taken this matter up with a view to a settlement in its legal aspects once and for all.

CANADIAN-WEST INDIAN BANKING.

Apropos of the establishment of a Canadian branch of the Colonial Bank, of London and the West Indies, it is interesting to note that the National City Bank of New York proposes to enter the West Indian field. The matter is apparently not yet settled but the probabilities point to the step being taken. In view of the fact that both the Royal Bank and the Bank of Nova Scotia are strongly represented in the West Indies, the course of events will be watched with interest here. Various American corporations, particularly the United Fruit Company and the Tobacco Trust, have very large West Indian interests and presumably the New York bankers are figuring on a support of home industries by the Americans engaged in West Indian trade.

GREAT BRITAIN'S EMERGENCY CURRENCY.

The British emergency note issue which came into existence at the beginning of the war has now reached a total in notes outstanding of about £36,000,000. Against this note issue the Government has set aside a gold reserve of £27,500,000, in addition to the backing of securities given by the banks which take out the notes. This gold reserve now amounts to 75 per cent. of the paper issued, and it is expected that the accumulation of gold for this purpose will now be stopped unless there should be an expansion in the note issue.

It may be remembered that these notes were issued by the Government, not by the Bank of England, but they are convertible into gold at the Bank of England on presentation. It is interesting to observe that the war has apparently made room for £36,000,000 of fresh currency in the country, seeing that there has been no special squeezing of gold out of the pockets of the public into the banks. The formation of a huge new army is probably the principal explanation of this economic movement.

Mr. F. Norrie Miller, general manager of the General Accident, Fire & Life Assurance Company, of Perth, Scotland, and Mr. James Simpson, a director, sailed from New York for home Saturday. Mr. H. E. Southam, formerly manager of the liability department, who is at present in England, has been appointed an assistant United States manager.

GOVERNMENT COMPENSATION SCHEME IN NOVA SCOTIA.

The bad example set by the Province of Ontario in the establishment of a Government-administered scheme of workmen's compensation is being quickly followed. It seems that the government of Nova Scotia has taken the Ontario Act whole and is now engaged in the task of jamming it through the legislature. Nobody has asked for the new legislation, and Nova Scotia already has in force a modern Workmen's Compensation Act, which came into force no longer ago than 1911. However, the due date for a provincial election is next year, and the Provincial Government, hunting after a good election cry, apparently decided that workmen's compensation was the very thing. Judging by the events of the last few weeks, the Government have simply swallowed the Ontario Act just as it is without any attempt to understand either the subject of workmen's compensation or the eventualities to which the province may be subjected through the adoption of the Ontario Act. The bill, got out in a prodigious hurry, has already passed its second reading and is now before a committee. Rumour says that the Government intends to put it through the legislature and then suspend its adoption until it can be seen how the Ontario Act works out. It is at least to be hoped that this will be the course followed. Anything more rash than the headlong following of untried and experimental legislation like that in Ontario, before its results are known, it would be difficult to conceive.

Nova Scotia's position to carry on successfully a scheme of this kind is even less favourable than that of Ontario. It has only a small number of industries and they are chiefly of three kinds, collieries, lumbering and fishing. On the very limited income which the Government Fund would receive, the expenses of administration in proportion to income would be exceedingly heavy—much larger than in Ontario's case. Under the new legislation, too, there is practically no limit to the amount of compensation which can be paid, and added to this is the possibility of very serious losses in the collieries—a risk which Ontario has not got. The extent of the drain upon the fund, and probably the provincial finances, in the event of a colliery disaster costing possibly several hundred lives, all resulting in claims for compensation under a scheme of this kind, can be easily imagined. Have the members of the Nova Scotia government yet contemplated this possibility?

If the object of the Nova Scotia government is to secure a good standing with the labour vote, there are other and less dangerous ways in which they can secure it. The setting up of a Commission to pass upon all claims paid under the present or amended legislation