

**THE CANADA ACCIDENT ASSURANCE COMPANY.**

The Annual General Meeting of the above Company was held at its offices, St. Alexis st., in this city, on the 16th inst. The chair was occupied by the President, Mr. R. Wilson-Smith. The Report presented showed an improvement in the Accident business. The President was re-elected, with the Hon. A. Desjardins as Vice-President, and the following directors, Messrs. I. H. Ewing, J. J. Kenny, J. P. Cleghorn, Hon. S. W. Wood, and T. H. Hudson.

**THE NEW ZEALAND GOVERNMENT INSURANCE JOURNAL.**

Journals published under the more or less direct control of Governments are issued in every country; in some, indeed, every newspaper is edited by a Government official. Journals published by insurance companies for advertising purposes are familiar objects. New Zealand, however, has made a new departure by its Government issuing a journal which combines the above features, by being an organ published by the Government, and having the same advertising object as an insurance company's advertising leaflet or journal. The Commissioner of the Government Life Insurance Department, Wellington, New Zealand, has favored us with No. 1 of the "*Government Insurance Recorder*" of that Colony. The introductory article explains the object of the publication to be the affording assistance to District managers and other officers of the Department. The system of publishing a leaflet is said to have been found of advantage to commercial enterprises, and will, therefore, be found of benefit to the Government Insurance Department. The paper, therefore, starts out with a frank avowal that the New Zealand Government is carrying on life insurance as a commercial enterprise, which is re-assuring, as a socialistic element is very manifest in the public affairs of that Colony, and is not absent even in its insurance department. This is shown by the following official statement: "The security of the New Zealand Government policy-holders is unique; there is the State guarantee which is given to every policy sent out from the office." So far as this State guarantee affects the business, that business is not a commercial enterprise, for such guarantee is not given for any commercial purpose, or for any commercial equivalent; it is in fact a pledge to the policy-holders of the entire resources of the Government, or, as the official puts it, the State guarantee is "the bond of the whole people that the policy shall be met when due." This State guarantee consequently constitutes an asset of the State insurance business for the benefit of a section of the people who are policy-holders, to which asset the rest of the people annually contribute, and have contributed, who are not, and who were not policy-holders, and, for whose contributions by taxation, the State gives no return. Such a system is certainly not a commercial enterprise as it is claimed

to be. Were the New Zealand Government ever compelled to apply the general revenue of the Colony to the payment of the claims of its policy-holders in its life assurance scheme, the possibility of which the State guarantee contemplates, the tax-payers at large would be most unjustly levied upon for the benefit of some of their neighbors. The State guarantee, therefore, is clearly a socialistic feature. It is a system of granting Government financial assistance to a small class made up of its policy-holders, at the expense, in part, of the rest of the community, who have no part or lot in any benefit arising from such financial assistance. The Recorder informs us that Insurance Department holds \$13,240,000 of assets, but omits to state what is the total of the amounts at risk, nor is any other information given upon which a judgment can be formed of the commercial aspects of the State insurance business. Of the assets of the life assurance Department, we note that \$4,360,000, or one-third of the whole, consists of Government securities, that is, the Government furnishes life assurance policies and holds its own bonds as security for the payment of its own engagements. The analogy is close between this situation and that of a bank holding its unissued notes as security for the redemption of those in circulation. Although this Government organ declares that: "it will make no attempt to belittle any good work done by other offices in the cause of life insurance," yet, on page 4, it seriously belittles all the regularly organized life assurance companies by declaring that "there cannot be absolute certainty about the payment of a policy in the best private insurance offices in the world," and that "nothing but the security of the State itself can guarantee the policy-holders against loss in the future." We regard such remarks as an unwarranted reflection upon those substantial life assurance companies that are doing business in New Zealand. We observe with regret that the New Zealand Government is arranging to enter the field of fire insurance in opposition to the Great British offices now so well established in that Colony. A conflagration would wreck this scheme unless the whole people of the Colony were so generous as to submit to special taxation to pay the losses of a few property owners and tenants. We would advise our friends to stand by the old British companies who have served them so well in the past, and who stand ready to pay all claims at a moment's notice. New Zealand is tending to become a vast Government Bureau. Private enterprise and capital are being set aside, and individual talent and energy are in danger of becoming atrophied by disuse. The Colony will be a community of officials if this system of State business develops. Already the Government of New Zealand is doing a mortgage loan; banking, life assurance, estate agency, railroad and other forms of commercial business. There will come a reaction some day, owing to financial disasters, and the people of that now thriving Colony will take the conduct of commercial enterprises into their own hands and confine the Government within its legitimate sphere.