

Act. The amount to be exacted from foreign insurance companies or from those incorporated in some other province of the Dominion varies according to the amount of their business in the province from five to fifty thousand dollars and still more if the business of the company there exceeds two million dollars.

Strong opposition to this section has come from the cash fire mutual and cash mutual companies. They regard it as onerous and unnecessary, and urge that if adhered to it will drive the strongest of them to apply for a Dominion charter and put the smaller ones out of business altogether.

How the Deposits Are Scaled.

Section 92 of the amended bill, as presented this session, provides that all except fire insurance companies licensed for the insurance of farm buildings, and isolated risks applying for a provincial license to transact business shall deposit with the Treasury Department specified sums as follows:

- (a) Joint stock fire and fire and inland marine, \$25,000; foreign, \$50,000.
- (b) Accident companies, \$20,000; foreign joint stock, \$40,000.
- (c) Provincial mutual fire or fire and inland marine, \$10,000; provincial cash mutual fire or cash mutual fire and inland marine, \$25,000.
- (d) Live stock insurance, \$10,000; foreign, \$25,000.
- (e) Insurance against loss by accidental causes—larceny, burglary, \$10,000; foreign, \$20,000.
- (f) Bicycle or vehicle, or plate glass, \$5,000; foreign, \$10,000.
- (g) Foreign companies doing reinsuring business only, \$10,000.
- (h) Non-provincial mutual benefit, \$5,000.

Three Desirable Amendments.

The life companies, as has been said, have but little fault to find with the proposed measure. But there are three points on which they seek amendments. These are:

- (a) That all life companies incorporated by the Legislature, either under special act or under the bill in question, shall be required to deposit a sum of \$25,000 with the Provincial Treasurer.
- (b) That they shall be permitted to charge interest at the rate of 6 per cent. per annum on the amount of the premium overdue, and while remaining unpaid within the 30 days of grace, if the payment of such interest is required under the conditions of the policy.
- (c) That the presumption of death of the insured be extended from seven to ten years.

Unregistered Fire Companies.

Another point at issue affecting fire insurance relates to insurance with an unregistered company. The bill prohibits this except by a special permit from the Provincial Treasurer. Both insurer and insured are held liable to a penalty for a breach of this provision. The permit may be granted if it is proved that "no sufficient insurance can be obtained at the ordinary rate of premium" from registered companies. The Quebec Government has expressed willingness to substitute the word "equivalent" for "ordinary." From this it is supposed that the rates referred to are those offered by outside companies rather than those obtainable in Canada. But the change has not been made in the printed amendments as issued at Quebec.

Taxation of Life Premiums.

On the question of the present taxation of life premiums, the life companies have taken a very firm stand. In a memorial to the Provincial Government, they urge that such taxation is inequitable and unduly interferes with existing contracts, while it discriminates against life companies as compared with other financial institutions. Prior to 1900, no tax on premiums was imposed by the Government. But in that year a tax of one per cent. was enforced. Subsequently, it was raised to 1 1/4 per cent., and made applicable to the premiums of 1905. This rate remains in force to-day.

The companies complain that the tax is 75 per cent. heavier than in any other province of the Dominion; and that together with the municipal tax it amounts to 2 1/2 per cent. on the gross premiums.

"The life insurance premium," they urge, "is composed of two parts, viz., the policyholders' deposit, known and defined as the reserve, amounting to about 82 1/2 per cent. on the whole; and the provision for the expenses, profits and contingencies, known and defined as the loading, being the balance, or about 17 1/2 per cent. of the whole premium. There is no reason why the savings of the people when entrusted to insurance companies, to wit, the reserve—which corresponds with a deposit in a bank—should be taxed, while bank deposits are exempt. The principle of thus taxing life premiums is essentially a false one; it involves unfair and redundant taxation upon the policyholders who have already made their full contribution to the community. The thrifty man is thus discriminated against by a further levy, from which his less provident neighbor is exempt.

"The life companies do not object to being taxed, but they contend that, owing to an apparent misapprehension of the principles of insurance, the Government has levied a tax which is inequitable; and that the loading, which amounts to only about 17 1/2 per cent. of the entire premium, might, if absolutely called for, constitute the taxable portion of the policyholders money."

Between the conflicting views of the various branches of the Quebec insurance force, the proposed bill will doubtless reach the statute books with sundry of its clauses yet further modified. Anyway, new legislation is badly needed in the province. The Government has shown itself ready to lend an ear to all reasonable suggestions. And with so much material at hand it should not be a very difficult matter to turn out a fair and adequately comprehensive measure.

FIRE AND MARINE NOTES.

A permanent fire brigade has been decided upon for Peterborough, Ont.

Fredericton, N.B., is providing a bicycle for its Fire Chief. The machine to cost not less than \$50.

The Fire Chief of Calgary, Alta., is agitating for a new fire hall. He thinks the existing building unsafe and entirely inadequate.

The inquiry into the breakdown of the Canadian Pacific steamer Mount Royal is proceeding. The engineers declare the breakdown of the machinery was due to the excessively stormy weather.

The Victoria, B.C., Board of Trade is advised that there is no present hope of securing a remission of the 30 per cent. extra fire insurance rate imposed in consequence of the inadequacy of the city water supply.

Mr. Charles B. Whiting, formerly President of the Orient Insurance Company, of Hartford, Conn., died on Monday. He became President of the Orient in 1886, retaining the office until 1900, when its stock was bought by the London and Lancashire.

Colonel E. E. W. Moore has been appointed general agent of the Equitable Life Assurance Society of New York for the counties of Wentworth, Lincoln, and Welland, Ont., with headquarters in Hamilton.

Another deputation from the Board of Trade, Montreal, went before the Legislative Council at Quebec with regard to the Insurance Bill of that Province. They oppose the clauses so much objected to by Montreal business men with regard to insuring with foreign unregistered companies.

All fire-escapes attached to the schools of St. John, N.B., has been adjudged unworkable by the local committees for the safety of public buildings. The general hospital is also declared inadequately provided with escapes. The committee's report is said to have created a sensation. It is nothing like the sensation that would follow a fire.

This is from a New Glasgow, N.S. journal: "Testing the fire alarm system on Wednesday morning rather fooled the firemen; when a genuine alarm was rung in at 12.40 o'clock they at first paid little heed thinking it only further tests. Bursting hose caused some further trouble when the scene of fire was reached." Paragraphs such as these must be wonderfully soothing to the minds of property owners in the district.

In recording a fire at St. John's, Newfoundland, the local journal remarks that as usual the fire brigade were short of a few men: "This is not infrequently the case as the records at the fire station show. Many of the men do not hear the fire bell when it is rung. For each time they fail to turn up—barring illness—they are fined, the money going to the Sick Firemen's Benefit Fund." This is a matter for which the local authorities should lose no time in finding a remedy. Fire alarms should be installed in the houses of all the members of the brigade.

The fire insurance statement of risks on property in St. John's, Newfoundland, states that 34 fire insurance companies are doing business there. To these were paid in premiums, in the aggregate, last year, the sum of \$170,927.40. As the basis of tax works out at about one and one-sixth per cent., the property of St. John's to-day is insured for \$14,650,000, all told. The Phoenix, of London, leads in point of business, and it collected in premiums last year \$16,473.97. The Liverpool and London and Globe comes