"The freedom of contract is abridged. The State has established a monopoly. If the State has a superior insurance scheme it needs no monopoly. If it is inferior, it should not be so favored. The employer is entitled, and should especially be in the State of Washington, to transact business subject to State supervision, but not State control. He should not be forced into the insurance business with which he is not familiar. His business requires that he be permitted to insure his own risk, form associations with his neighbors for mutual protection, or buy his insurance in the open market from licensed competitors or from the State, should the latter be engaged in such business."

(To be concluded.)

BANQUE HOCHELAGA AUDITORS.

Mr. Geo. Gouthier, L.I.A., and Mr. S. Roper Mitchell, C.A., have been appointed auditors of La Banque Hochelaga under the provisions of the new act.

DICKORY, DICKORY UP TO DATE.

"Finally a farmer, John Dunlop, residing on the Bayfield Road, took him in, and when Dunlop went away on business Lewis found money in the clock and absconded with it," says an Ontario dispatch. How much money is being held in the clocks and stockings of America?

SIR WILLIAM WILL KNOW

"Halifax has always been our port and we have no reason to change it. I do not know what considerations brought the Royal liners to St. John, for I was away when the change was made, but I will know when I reach Toronto.

"For a long time we have regarded the Intercolonial as the logical eastern end of the Canadian Northern Railway. We want to buy it and you can make this as strong as you like, but I am afraid it will be some time before that occurs. The government holds to the idea that the railway being the people's road should not be sold to a private company." These are reported remarks of Sir William Mackenzie in an interview printed in the St. John Standard.

KIRKLAND LAKE OFFERING COLD-SHOULDERED

The offering in London of 75,000 shares of £1 of the Kirkland Lake Proprietary, is given a dig by The London Economist, which says:—

"The company acquires the right 'to negotiate for the acquisition of certain mining interests' in Ontario, and for this precious right it pays the very tangible sum of £25,000 in cash and an additional £1 in cash or one fully-paid share, at the vendor's option, in respect of each two shares over and above the present issue up to a further 50,000 which may be hereafter allotted. The details of the contracts which convey the benefit of the 'right to negotiate' are not given. The prospectus contains sufficient condemnation in its statements and its omissions to make any further warning to investors necessary."

The company's capital is £200,000.

CANADIAN LAW OF BANKS AND BANKING.

Falconbridge's Banking and Bill of Exchange is well known in banking and commercial and law circles. A second edition becoming necessary, the book has been revised and leading decisions on the law of banking and bills of exchange which have been reported in England since the first edition was issued, have now been included.

The book is divided into Book I, Banking and the Bank Act; Book II, Negotiable Instruments and the Bills of Exchange Act.

H. M. P. Eckardt, the well-known banking expert, has written a valuable chapter on Branch Managers and the changes in the Bank Act. There are included a list of authors cited, and table of cases.

Banking and Bills of Exchange, 2nd Edition. J. D. Falconbridge, M.A., LL.B.: Canada Law Book Company, Limited, Toronto.

VALUE OF LIFE INSURANCE

XLIII.

Insure Your Insurance

BY C. A. HASTINGS

Insuring your insurance is equivalent to purchasing a government annuity on the instalment basis. The main object of insurance is to protect one's dependents by depositing an annual premium with a life office, who, in turn, guarantee to pay to your beneficiary the face value of the policy purchased. You have bought protection so as to make sure of your dependents being in a position to keep the wolf from the door, having fully realized that all your investments may not turn out trumps and that by laying on one side 10 per cent. of your income you have shifted the responsibilities on to an office of unimpeachable power and gigantic resources (assuming you have made proper choice); therefore you are safe as regards guaranteeing an estate to your dependents.

But do you realize that at your death you have put your dependents in the same position as you wished to avoid, namely, the possibility of depreciation of capital, and as a matter of actual fact your dependents are faced with greater problems than you ever experienced, for they have never had to handle financial affairs—they are as helpless as a ship is at sea without a helm. It is true that there may be exceptions, and it is equally true that your executors are perfectly competent—but do they know all about your possessions, all the many and various strings of the markets in which you are interested? It is obvious they cannot know. Furthermore, you must remember that they have also grown old since you appointed them your executors, and they have probably retired from business at the time of your demise. Of course, you may have appointed a trust company to look after your estate, which is an excellent method—but you have to pay for such service.

For an Income of Twelve Hundred.

A concrete example of how any man can relieve his dependents of all financial worry, and at no extra charge whatsoever follows. That is to say, no fee of any kind is due or payable, and the insurance company acts as your trustee for nothing, and without any legal formalities, or expenses, or delays.

Brown wishes to leave his wife an income of $1,200 per annum, payable monthly, said income to commence at his death, for a period of twenty years. He will find that the commuted value of such an income is a little over $18,000; he, therefore, applies for this amount of insurance on the whole-of-life-with-profits plan, which, assuming his age to be 35, will mean an annual deposit of about 2¾ per cent. on this amount, viz., $18,000; or, say, $466 per annum. By this means Brown knows that as soon as he has paid his first premium, a cheque for $100 will be paid monthly to his wife, from the time of his demise, and will continue monthly for the same amount for a period of twenty years—wherever his widow may be residing—at no expense to her, and without her ever having to worry.

Now, then, let us assume that Brown lives the average expectation of life—about 31 years—he will then have deposited with that life office—31 x 446—viz., $13,826; but I am assuming he has made proper choice, and that he has been credited with bonuses at the rate of 1½ per cent. per annum. Such being the case, and Brown having died after having made thirty-one payments, his widow would receive, not only the monthly income, which I have already explained, but a bonus of not less than $8,370—which sum she could either take in cash, or increase her annual income by notifying the life office to that effect.

Apply Profits to Pay Premiums.

Brown has yet another alternative, and that is, assuming he lived thirty years, and had so increased his possessions that it was not necessary to increase—at that period of his life—his insurance protection, he could then apply his profits towards extinguishing his premiums, and if he has bought in a company that is paying a 1½ per cent. bonus per annum, he will find that the said accumulated bonuses will entirely extinguish all future premiums, and that in the future—so long as he lived—the company would be paying him, instead of him paying the company.

An annuity may thus be purchased for one's dependents without having to pay spot cash for it, and this can be accomplished without any extra cost to the estate. This form of protection, combined with its relief from anxiety, is commended to the readers of *The Monetary Times.*

Winnipeg electors defeated these by-laws:—$275,000 for hospital; $110,000 for public parks; and $85,000 for garbage destroyer.