HOW TO REDUCE TAXATION.

(F. Robertson Jones at World's Insurance Congress).

The course which I urge as the most practicable and effective is the following: Let the insurance companies undertake to educate the public to the fact that the tax on insurance is a thoroughly anti-social tax; and the policyholder, to the fact that the tax is taken out of his own pocket. Then the companies may cease from their labors; they will have made their cause the cause of the public in general and more particularly of the policyholder. The public and the policyholder will do the rest. The first step in this campaign will be for all insurance companies of whatever class to combine in an educational alliance for this specific purpose. In so far as the tax problem is concerned, the interests of life, fire, marine, casualty and surety insurance companies, if not entirely identical, are so nearly identical that they can co-operate harmoniously.

I would suggest a small general committee composed of representatives from each of the five classes of business mentioned above, to which shall be entrusted the duty of planning the ways and means by which an educational campaign can be best conducted. The machinery already exists for selecting these representatives—each class of insurance having its legislative or underwriting bureaus. Such an alliance and such a committee, having nothing to do with the matter of rates, could not, by any stretch of the imagination, be considered as coming even under the edge of the most stringent of the anti-monopolistic State laws; and the raising of funds for such a campaign would be a matter of *pro rata* contribution according to premium writing. This educational committee should possess itself of every right avenue of gaining the attention of policyholders and the general public, some of which avenues I take the liberty of suggesting as follows:

1. Conventions.—At which prominent men representing all phases of political and economic life shall be invited to speak.
2. Literature.—Publication and wide distribution of addresses made at these conventions and also of statistics and graphic arguments.
3. Pink Slip.—A notice attached to every policy contract stating just what part of the premium is represented by the taxes paid to the State and local divisions thereof; and just how much cheaper the premium would be if these taxes were removed.
4. Agents.—Utilization of that vast army of capable, industrious and influential representatives of the insurance company, every one of whom is a voter and many of whom are either prominent in their localities or on friendly terms with those who are prominent.
5. Social Workers.—Their assistance could easily be obtained inasmuch as, urging universal insurance as one of the preventatives of pauperism, they already regard any anti-insurance measure as anti-social.

Such an education alliance, with such ways and means cannot be formed too promptly for the liberation of the insurance company, the policyholder and the general public from the toils of a tax so excessive, so ill adjusted and so anti-social.

The City of Montreal proposes to oppose the application of the Quebec Workmen's Compensation Act in claims made against it as an employer.

WAR MORTALITY OF BRITISH LIFE COMPANIES.

"An Actuary," writing in the London newspapers, says:—We are in a position to estimate to some extent the strain which the extra mortality arising from the war has imposed upon life offices, the claims due to the war during the past twelve months amounting to over £3,000,000 and this does not include claims paid in the industrial branches of offices transacting that class of business. The sum paid in death claims in normal times under ordinary policies amounts to about £23,500,000 per annum and the increase does not appear as large as might be expected in view of the terrible nature of the struggle. The actual strain on an office, however, is not the amount it pays out in claims, since every life office has in hand a sum in respect to each policy with which to meet it liability under that policy. In order to estimate accurately the actual loss from war claims experienced by life offices, we must know the reserves held by them in respect of such cases. Whilst the exact values are not readily obtainable, it is possible from general considerations to arrive at some idea as to what they are likely to be. Two factors must be taken into consideration in making such an estimate of the reserves held by the companies, these being: (1)The class of assurance (i.e., whether whole life or endowment); (2) the duration of assurance. As regards (1) the war claims are likely to be distributed amongst the two classes of assurance in much the same proportions as usual, but when we consider the second point it seems evident that as those killed in active operations are mostly young lives, the duration of their assurance will be short. Thus the reserves held in respect to policies becoming claims by the death of the assured as a result of the war are likely to be considerably less than the average for other death claims. It follows that the strain on the office whilst not being quite equal to the £3,000,000 actually paid will approach that sum. The loss to the offices is therefore very severe and more than justifies the seemingly heavy rates of extra premium that have been charged to cover the war risk.

SPRINKLER SERVICE.

In 73.21 per cent. of the cases reported in 1914-1915 automatic sprinklers entirely and practically extinguished the fires and checked 23.07 per cent. of them. The proportions for the previous year are, respectively, 58.98 per cent. and 37.40 per cent., and for 18 years, 63.76 per cent. and 31.52 per cent. These figures show that sprinklers for fire control are becoming more efficient.

The wonderful efficiency of automatic sprinklers is shown in the record for the cotton mill, clothing and shirt factory classes of industries. Automatic sprinklers successfully controlled 98.9 per cent. of the fires reported in cotton mills, which are the most hazardous of industries.

Remember the Triangle Waist factory and the Binghamton overall factory holocausts and then consider this fact: in 378 of the 383 fires in the clothing and shirt factory classes listed in the N. F. P. A. tabulations, automatic sprinklers operated successfully. In the 5 cases where sprinklers did not control the fires, the fault was not that of the sprinklers, but of those entrusted with the care and maintenance of the sprinkler systems.—The Diffuser.