

THE YUKON RAILWAY IN PARLIAMENT.

The apparently interminable debate upon the action of the Government, regarding the contract for the construction of a railway to the new gold fields, has resolved itself into what is practically a request upon the part of the Opposition for a vote of censure on the Government for failing to make use of other offers (notably that of Mr. Hamilton Smith), in obtaining better terms from Messrs. Mackenzie & Mann, and also for giving away so much land to the contractors.

It is to be hoped that, in the strong desire to attack or defend the conditions of the contract, members of Parliament engaged in the lengthy discussion of the Yukon Railway Bill will not lose sight of the most important feature of railway communication with the Klondyke:—retention of all the rights and privileges belonging to Canada.

The concessions asked for by the United States in exchange for what may not be required by Canada at Wrangel are too preposterous to be seriously entertained. But our neighbours, as usual, will require much watching. They often ask for more than they expect to receive.

If some agreement between a Canadian and United States Company could be made whereby a link could be built connecting the territories of both countries (like the present Chicago-Grand Trunk System), it would be a simple solution of what some politicians and sensational papers are trying to convert into an intricate problem.

Canada and the United States are equally interested in having proper railway communication with the Yukon and Alaska, and both Governments should be willing to ratify any plan which will remove contention over custom house arrangements, and thus assist the transportation of passengers and merchandize into the country.

We venture to suggest to our Government that one of the numerous objections to the contract made with Messrs. Mackenzie & Mann might be removed if, at a conference between the Railway Department and the contractors, part of the land grant was withdrawn and cash substituted.

That widely divergent opinions are entertained by those engaged in discussing the Yukon Railway, in Parliament, is made only too manifest by their speeches and the occasional *bolting* of some perplexed member from either side of the house. But, if the majority of our representatives at Ottawa are favorable to the building of the railway, the present long drawn out discussion of custom house difficulties and land grants would seem to be a deplorable waste of time. Surely, a Committee of the House meeting with the Contractors can, acting upon the numerous suggestions already made by Parliament, agree upon terms satisfactory to Messrs. Mackenzie & Mann, and likely to be approved by the country.

As both Conservatives and Liberals desire to establish proper communication with the Yukon, it should not be made a party question.

THE PROPOSED ANTI-FOREIGN INSURANCE LEGISLATION IN THE UNITED STATES.

For two or three years past the officials of a certain American fire insurance company in New York, aided by less than a half dozen small satellites elsewhere, have been engaged in a persistent and systematic crusade against the foreign companies doing business in the United States. The crusaders have skilfully taken advantage of the widespread sentiment among the people in favor of "protection" for American industries and institutions to raise the cry that millions of dollars of premiums are annually collected by the foreigners which ought to be realized by the home companies, that the former are making a large amount of money out of the business in the American field and that, therefore, they ought to pay roundly for the privilege in the form of taxation. A year ago, the advocates of discrimination in taxation succeeded in getting a law passed by the legislature of Iowa of the "home protection" order, which provides for a tax of one per cent. on the gross premiums of Iowa companies, and two and a half per cent. on the premiums of the companies of other States, while the companies of foreign countries are made to pay three and a half per cent. on gross premiums.

As our readers already know, a bill has been introduced in the present New York legislature taxing not only foreign companies in that State five per cent. on their gross premiums, but also domestic companies organized under the laws of the State, and which are controlled, through ownership of their stock or otherwise, by the foreign companies. The bill which provides for this enormous tax also provides that the American companies (other than the class above referred to) shall be required to pay only two and a half per cent. on their *net profits*, i. e., on premiums less all losses and expenses. A bill almost identical with the New York bill has also been introduced in Ohio, and in Massachusetts a bill, somewhat less drastic, but taxing the foreign companies about twice as much as the American companies, is pending. The intention of the authors of these various bills is to tax the foreign companies out of the country and to fatally cripple their American namesakes.

For example, take the results in the two States of New York and Ohio. The gross premiums received in these two States amount, in round numbers, to about \$10,000,000, on which a tax of five per cent. would be a half million dollars. On the same amount of premiums collected by American companies, the losses and expenses would, under the proposed law, be deducted, and the two and a half per cent. tax levied on the remainder. The average losses and expenses will call for about ninety-three per cent., leaving seven per cent., or \$700,000, as the specified "net profits" subject to taxation. A two and a half per cent. tax on this amount would be \$17,500, as against \$500,000 levied on exactly the same amount of premiums in foreign companies, which thus pay almost thirty per cent. in excess of the home companies!