

legislation is supposedly designed to serve. There are not lacking signs of prospective attempts to oppose additional taxation on life interests. As men actively engaged in the business, we must all not only resolutely oppose any addition to our taxation, but use our best efforts in an attempt to do away with all forms of life insurance taxation. The final arbiter is the public, and, as the public pay, it is a question of feasibility whether we should not consult them in advance. Taxes on accumulated capital are not only a tax on thrift, but are opposed in every respect to the principle of income taxation on the grounds of which premium income taxation is improperly and unfortunately defended.

FEDERAL SUPERVISION OF INSURANCE IN U. S.

In view of the repeated decisions of the United States supreme court that insurance is not commerce, the opinion has come to be generally entertained that federal supervision of the insurance business is impossible of attainment until the constitution of the United States has been amended so as to give Congress power to regulate the business, and this has apparently had a chilling effect upon the movement to substitute federal supervision for the present system. It was also argued that, even if the necessary constitutional amendment were secured, the only result would be to impose upon the business an additional burden, because the various states would continue to exercise their supervisory rights as before. This consideration came as a further check to the movement, which has given no sign of life for some little time. It is now likely to be revived, says the *Boston Standard*, through the decision rendered by the United States supreme court in the Minnesota railroad rate case last June. It is maintained by Samuel Davis, the well known Boston insurance lawyer, that if Congress were given the power to supervise the insurance business, its power would be paramount and exclusive. If this view is correct, and the argument in support of it is strong, federal supervision with safeguards to prevent the arbitrary exercise of power by any one man would have much to commend it, notwithstanding the very efficient work now being performed by the National Convention of Insurance Commissioners. For, however wisely they may exercise their powers, they cannot prevent unwise legislation nor have they been able, except to a limited extent, to bring about uniformity of requirements.

Life insurance increases the stability of the business world, raises its moral tone and puts a premium upon those habits of thrift and saving which are so essential to the welfare of the people as a body.—*Theodore Roosevelt.*

Long experience and continually repeated demonstration prove that the automatic sprinkler, where properly installed and in operating condition, is always ready, operates quickly, and either extinguishes fire or holds it in check, and is the most reliable means of safeguarding lives in the majority of existing manufacturing buildings. Enclosing stairs, building fire towers, properly constructing fire escapes, etc., are all means intended to permit of escape after the fire gets under way. The automatic sprinkler almost invariably prevents the fire from assuming serious proportions.—*National Fire Protection Association's report on Binghampton fire.*

LESSONS FROM MISSOURI.

Now that the Missouri situation has ceased to be a situation at all, there is a decidedly noticeable lull as though a persistent and disagreeable noise had suddenly stopped. We might carry the thought a little further in applying it to one or more of the Missouri State officials who were conspicuous in the difficulties that were recently confronting the fire insurance companies. It is well, perhaps, not to let some of the lessons of that situation to be forgotten by the states which have shown evidences of being similarly minded with Missouri. One of the state-ments loudest proclaimed by the state officials was that Missouri would not miss the companies that had ceased writing business because numerous mutuals would immediately be formed to take care of the business. Some very urgent efforts were made to put new mutuals into the field but the well-known experience of the regular companies which had been doing business at an underwriting loss in the state, did not tend to make Missouri's loyal citizens rush with their money to put it into fire loss claims. One or two such organizations that were formed expired quickly on the first suggestion that the companies might be induced to return to the state. They had little back bone even as an excuse or pretext. The Missouri situation has taught us much, all of which demonstrates that the companies are entitled to reasonable consideration at the hands of state legislatures and that they are justified in taking drastic steps to maintain their rights.—*Insurance World.*

TRUSTWORTHINESS OF PUBLIC ADJUSTERS.

The New York insurance department has found difficulty in obtaining the required information as to the competency and trustworthiness of public adjusters who have applied for licenses. So far over 100 persons have made applications, accompanied by the \$25 fee which is required by law. Although the insurance department has submitted the list of applicants to many companies and agents, as well as others who would know the qualification and trustworthiness of the adjusters applying for licenses, the information so far obtained has been meagre, and it is evident to the department that company officers are timid about stating what is their candid opinion about the requirements of those under consideration. The insurance department evidently favors brokers taking out public adjusters' licenses, so that they may charge adjustments to their customers' losses. It is realized that reliable brokers can look after their customers' settlements in a satisfactory manner, and this turn of events has largely increased the number of applicants.

UNION LIFE ENQUIRY.

The Minister of Finance has requested Mr. G. T. Clarkson, the liquidator of the Union Life Assurance Company, to examine by his counsel, Mr. Masten, the officers and directors of the Company as to the conduct of the business since the date of the insurance investigation in 1906, when the affairs of the Company were under review by the Royal Commission.

This enquiry will ascertain in what manner the resources of the Company were dissipated, whether through unsound investments, wasteful management or otherwise, and particularly what disposition was made of the capital and premium amounting to more than six hundred thousand dollars contributed by British shareholders.