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vinces relinquished their power to impose import duties. The solution adopted was that the Dominion would take over all expenditures connected with Defence, Navigation, Collection of Customs Revenues, the Post Office, and certain other departments thus greatly reducing the amounts for which the provinces were formerly responsible, and that in addition the Dominion should pay to each province, from the customs duties collected, an annual subsidy, the amount thereof being definitely settled as part of the basis of confederation. With a mere customs union different arrangements would be necessary. There would be no central or federal government to assume any part of the present expenses of the Islands. The problem would be that of readjusting taxes, or finding some new source of revenue, to offset the reduction in income which would result from the agreement to admit free of duty goods from Canada which at present are subject to duty. This is clearly a mere matter of negotiation. I would suggest for consideration, however, whether the simplest plan would not be to allow the Islands (unlike the Canadian provinces) to continue to collect for their own use the customs dues (according to the tariff agreed on) on imports from the United States and other outside countries, and if further adjustments were needed, they could take the form of reimbursements for loss of revenue by the Canadian government. The Islands would of course retain their revenues from excise, post office and all other forms of taxation except customs.

FINANCIAL ADJUSTMENTS.

The commercial benefits would be shared by both countries, but the loss of revenue to the Dominion from admitting West Indian products free would probably not be as serious as the corresponding loss to the Islands from admitting Canadian goods free. If this be so, it would be but reasonable for the Canadian Government to make such financial adjustments as might be agreed on as fair, and it could certainly afford to do this in order to make these valuable Island markets part of the Dominion commercially, though not politically. Not merely must the probable losses of revenue be considered and equalized, but the benefits to be derived must in fairness also be made as nearly proportionate as possible. Subsidies for the necessary steamship service should naturally be borne chiefly by the party which would share most largely in the advantages. Other points should also in equity be taken into account. I am far from dogmatizing on the details of such a scheme. The idea, however, appeals to me very strongly, for I feel certain that it can be worked out in such a way as to bring enormous advantages and corresponding prosperity to both Canada and the West Indies.

A Cape Town insurance office received a proposal from a country traveller on the life of a lady. The Secretary wrote requesting the full name and occupation of the husband. In due course the answer arrived, giving the correct name but stating that the husband was dead, and his present occupation was therefore open to doubt.—*Insurance, Cape Town.*

CANADIAN LUMBERMEN'S INSURANCE EXCHANGE.

The following particulars of the Canadian Lumbermen's Insurance Exchange of Ottawa, a Dominion licensed inter-insurance organisation which figures in last year's Dominion blue-book as the Subscribers to the Lumbermen's Fire Indemnity Contract but has since changed its name, are from Best's Insurance News, and will be of interest:—

The Exchange holds a Dominion license restricted to risks in Ontario and Quebec. Business is confined to lumber and wood-working plants. Until a sufficient volume of insurance has been written to provide a safe "insurance average" arrangements have been made to re-insure the entire liability in responsible companies. For the present the Exchange is accepting lines up to \$10,000 on clear-spaced lumber yards, but it is expected to increase this as the business develops.

The Attorney of the Exchange is Mr. E. D. Hardy of Ottawa (who was formerly chief agent in Canada of the Lumber Insurance Company of New York, which last year re-insured its Canadian business and retired from this field). Expenses of management are limited to 20 per cent. of the net premiums, out of which the Attorney defrays all underwriting and inspection expenses. The Power of Attorney provides that subscribers' savings shall be set aside as a surplus fund until such surplus together with the "Reserve Fund" shall equal twice the amount of a subscriber's annual deposit and all other savings are to be returned to the subscriber annually in cash. It is provided, however, that a percentage of the savings may from time to time be returned in the discretion of the Advisory Committee before the full amount of such surplus fund has been accumulated. The liability of members is limited to an amount equal to the annual premium deposit.

CONTINENTAL INSURANCE COMPANY.

President Evans of the Continental Insurance Company, New York, announces the appointment of Mr. F. W. Koeckert, of the Fidelity-Phenix, to fill the position made vacant by the resignation of Mr. Charles R. Tuttle. Mr. Koeckert, who will be given the title of 2nd Vice-President of the Continental, has been the able assistant of Mr. Charles R. Street, 2nd Vice-President of the Fidelity-Phenix Insurance Company, since December, 1910. He has traveled extensively over the entire Western field and is well known among agents and field men.

Associated with Mr. Koeckert will be Messrs. J. R. Wilbur and A. A. Maloney. Mr. Wilbur, senior secretary connected with the Chicago office of the Continental, has been Mr. Tuttle's assistant since 1910. Mr. Maloney, who is President of the Fire Underwriters' Association of the Northwest, has been state agent for the Continental in Missouri since February 1899, but previous to that has represented the Company in other states including California and at one time served as an examiner in the Chicago office.

No successor to Mr. Koeckert in the Fidelity-Phenix office has as yet been appointed.

After the kickers have done their worst, they find that the best way to get lower insurance rates is to have fewer fires.—*Insurance Post.*