

Should this practice continue on any large scale, the Inland Revenue Commissioners report will in future years become an even less reliable guide to the extent of Great Britain's foreign investments than it is at present. In the last resort the actual extent of this investment must always be a matter of estimate, and probably the most reliable figures on this point are those of Mr. George Paish. Mr. Paish last year placed the total of British income derived from abroad at 140 millions sterling, this sum not including the interest upon amounts deposited in Indian, Colonial and Foreign banks by persons residing in Great Britain nor the income from the large amount of capital placed abroad privately. Mr. Paish estimated that to obtain this income of 140 millions, Great Britain had invested abroad £2,700,000,000, the capital yielding an all-round return of 5.2 p.c.—which seems a high figure. Of this capital of £2,700,000,000 nearly £1,700,000,000, Mr. Paish calculated, has been expended upon railway construction and it has been supplied in about equal proportions to British dominions beyond by seas and to foreign countries.

In the twelve months which have elapsed since Mr. Paish made his calculations it is probable that the total of British capital invested abroad has received substantial additions, and not least in Canada. The total of over 30 millions sterling of the new public issues of Canadian and Newfoundland securities in London since the 1st January last is, similarly to the Inland Revenue Commissioners' return, a guide merely, and not an infallible index to the amount of British capital now coming here. Since many of the transactions, particularly in land, are of a private character, the total, as in the case of the English figures, must remain a matter of estimate, but that it is of very satisfactory dimensions and that Canada is obtaining a very considerable proportion of the British capital now being exported, there is every indication.

The following tables, which refer to government securities only, are interesting, as showing, in some degree, the extent to which Great Britain is money-lender to the world's governments:—

BRITISH INCOME FROM GOVERNMENT SECURITIES.  
(000's omitted).

| Year      | British | Indian | Colonial | European | Asiatic | African | American | Total  |
|-----------|---------|--------|----------|----------|---------|---------|----------|--------|
|           | £       | £      | £        | £        | £       | £       | £        | £      |
| 1899-1900 | 12,733  | 8,286  | 11,276   | 1,690    | 1,227   | 736     | 3,465    | 39,409 |
| 1900-1    | 14,112  | 8,568  | 11,530   | 1,613    | 1,313   | 655     | 3,514    | 41,365 |
| 1901-2    | 16,162  | 8,811  | 11,833   | 1,552    | 1,304   | 631     | 3,926    | 44,209 |
| 1902-3    | 17,137  | 9,049  | 12,369   | 1,486    | 1,310   | 620     | 4,135    | 46,121 |
| 1903-4    | 15,989  | 8,596  | 12,869   | 1,435    | 1,445   | 579     | 3,933    | 44,948 |
| 1904-5    | 15,940  | 8,760  | 13,553   | 1,324    | 1,652   | 574     | 3,777    | 45,581 |
| 1905-6    | 15,994  | 8,863  | 13,907   | 1,307    | 2,454   | 542     | 3,859    | 44,926 |
| 1906-7    | 15,603  | 8,760  | 13,933   | 1,468    | 2,516   | 511     | 3,843    | 46,722 |
| 1907-8    | 15,875  | 8,926  | 13,825   | 1,407    | 3,528   | 508     | 4,067    | 48,215 |
| 1908-9    | 15,229  | 9,037  | 14,093   | 1,241    | 3,349   | 524     | 3,998    | 47,471 |

INCOME FROM GOVERNMENT SECURITIES OF INDIVIDUAL COUNTRIES.

|                    |            |                  |            |
|--------------------|------------|------------------|------------|
| Japan .....        | £2,247,865 | Argentina .....  | £1,376,590 |
| New South Wales .. | 2,167,312  | Victoria .....   | 1,351,633  |
| New Zealand .....  | 1,845,666  | Queensland ..... | 1,272,153  |
| CANADA .....       | 1,603,550  | Brazil .....     | 1,163,532  |
| Cape Colony .....  | 1,570,735  | China .....      | 1,050,589  |

#### BRITISH CANADIAN UNDERWRITERS.

The British Canadian Underwriters of Norwich, England, have decided to commence business in Canada and they will transact general fire insurance. The assets of the company are given at \$10,457,000. Its head office will be at Toronto under the management of Mr. John B. Laidlaw, manager for Canada of the Norwich Union Fire Insurance Society. The chief office for Quebec will be at Montreal with Mr. John MacEwen, who is well and favourably known in this province, as branch manager.

The policies of the British Canadian Underwriters will be guaranteed by the Norwich Union Fire office. This well-known office was founded in 1797, entering the Canadian field in 1880. Its fire account for the year ending December 31, 1909, showed that after deduction of re-insurances the net premiums amounted to \$5,383,180, this being the tenth year consecutively in which the net premium income was over \$5,000,000, and the net losses paid and outstanding to \$2,947,720, a ratio of 54.7 p.c. After charging agents' commission and all expenses of management and carrying \$512,920 to profit and loss, the balance in the account was \$4,584,170.

The British Canadian Underwriters are now prepared to receive applications for agencies.

#### A NEW INTERPRETATION OF THE CO-INSURANCE CLAUSE.

Fire companies are in receipt of reports from their adjusters on the loss of the Herald Company at Montreal, Canada. In reference to the 90 per cent. co-insurance clause the following statement by Messrs. Foster, Martin, Mann, McKinnon and Hackett, attorneys employed on behalf of the companies, is of interest:

"With reference to the point submitted respecting the interpretation of the co-insurance clause, we have not before us the working of this particular co-insurance clause, but we are of the opinion, if it is the usual form, that the value of the insured property at the time of the fire must govern, that is to say, deduction must be made of the loss by collapse.

"This would appear to be only consistent with the stand we have taken that the insurance companies' liability must be determined with reference to the state and value of the insured property immediately preceding the fire."

The clause in question, as it appears upon the policy and upon the proofs of loss rendered, reads as follows:

"It is a part of the consideration of this policy and the basis upon which the rate of premium is fixed that the assured shall maintain insurance on each item of property insured by this policy of not less than 90 per cent. of its actual cash value thereof."

Upon this no construction can be placed other than that the assured shall at all times maintain insurance to the extent of 90 per cent. of value.