

the committee on imperial defence. Asked whether the Premier and Sir Edward Grey would meet the representatives of the Dominions, explain the lines of foreign policy and take the visitors' opinion on it, Mr. Harcourt stated it had always been the intention to take them into consultation. "We shall withhold no information they desire, and shall proffer them all useful knowledge that may be of service to them in the great service they have to perform, but we shall do so in absolute secrecy, and I must warn the House that we cannot be liable to be asked what information we have given and on what subjects. It has always been our intention to summon these prime ministers to the meeting or meetings of the committee on imperial defence. Of that committee the Prime Minister is president, and many ministers, including myself, are members. We will meet in secrecy and will be able to receive that information and probably more than that which has been suggested, even by debates in the House."

Borrowing on Life Policies. The reasons why heavy borrowings are being made at the present time in the United States on life policies are discussed by the New York Evening Post, which states that since 1907 outstanding loans on policies of the three largest New York life companies have increased \$69,780,000 or 41 per cent. and that one of these companies has had to make such heavy advances in the last quarter that it is counting upon investing \$1,000,000 a month in such loans during 1911. "The ease with which these loans are secured," says the Post, "and the fact that the companies have to make the advances whether they wish to or not, are among the reasons advanced for the steady growth of the movement.....Most of these applications come from holders of policies ranging from \$2,500 to \$25,000, although the custom is becoming popular now with very rich men whose policies are valuable enough to permit of their borrowing from \$25,000 to \$100,000 at a time. What was probably the heaviest loan ever secured on a life policy was taken out in the panic of four years ago, when a life company advanced \$140,000 on a partnership policy. The unfortunate feature of the custom is that relatively few of these loans are ever fully repaid. An executive officer of one of the large companies has declared that in his judgment nine-tenths of the indebtedness created through loans made to policyholders remain as liens against the policies. Yet for all that, the practice of rich men borrowing on policies is increasing, and if the present movement continues on the scale observed since the first of the year, the average loan made during 1911 will probably be larger than the average of 1910."

How to Borrow in France.

In view of the closer relations between the Paris market and Canada which are being successfully cultivated, it is interesting to hear the views of a Paris correspondent of a New York journal on the subject of publicity in France.

This correspondent, who is referring, of course, to the question of placing United States securities in France, complains that too little attention is paid to publicity. "Publicity of a kind, about American conditions and American securities, there is in abundance," he writes, "but it is too apt to be a case of putting the worst foot forward. When an industrial combination is fined \$20,000,000, or an advance in railway rates denied, the outcry from Wall Street re-echoes in Paris; the French investor hears your railway officers quoted as talking of reduced dividends and insolvency. All the bad side of things is forcibly presented to him, without his asking for it." The correspondent proceeds:—"It requires a heavy sum of money, for use month after month, in procuring the publication in ordinary newspapers of really enlightening articles, not clever prospectuses in the financial corner, which investors less intelligent than the French can readily see through. As competent an authority as Paul Leroy-Beaulieu has often insisted on this. Every one I have met agrees with him. Even the great credit banks, with their influence over countless clients, cannot do more than scratch the ground until their public has been instructed more generally than now." The inference in regard to Canadian securities is obvious.

State Insurance. The problem of state insurance against sickness, invalidity and unemployment continues to excite much discussion in England. Proposals are to be laid before Parliament in the course of the next few weeks and if rumour is to be credited, the Chancellor of the Exchequer has been spending his enforced leisure planning a bold and comprehensive scheme which shall cover the whole field in a simple manner, and contain some striking innovations both as regards the collection of premiums and the combination of various risks under one general payment. The London Economist, in a consideration of the problem, discusses the German system, the unqualified success of which, in the opinion of that journal, has undoubtedly been a prime factor in bringing the problem within the range of practical politics in England. Old age and compensation for accidents, the Economist points out, have already been dealt with by separate legislation and it sees no reason why the German principle should be substituted for that at present in force. "The German code is on the whole a very complex system," writes the Economist, "for the Government has found it necessary to organize different types of administrative machinery to deal with the various risks, while the premiums vary enormously with different occupations and also as regards the proportion paid by the State, by employers, and by the workers insured. It has, moreover, taken 20 years and a dozen or so original or amending acts to perfect the system. In Great Britain the problem is further complicated by the existence of the large number of existing voluntary agencies which will have to be welded into the system. Under these circumstances, it is hardly to be expected that a general scheme of sickness or invalidity insurance, however ingenious, can be carried through and put into operation in the space of a few months, or without very careful consideration by a Committee of the House of Commons."