

BRITISH TRUSTEES AND COLONIAL SECURITIES.

The Bill recently placed before the Imperial Parliament, extending the scope of investments by British trustees in Colonial securities, is naturally a subject of interest to Canadians to whom the introduction of the measure is largely owing. The enacting clauses of the Bill, as presented in the House of Lords in the last week of June, are as follows:—

1. "For the purpose of enabling the Colonial Stock Acts, 1877 and 1892, to be applied to stock issued before the passing of this Act, it shall not be necessary that any prospectus, notice, stock certificate, coupon, dividend warrant, or other certificate or document, issued before the passing of this Act in relation to the stock, should state the particulars required to be stated therein by Section 19 of the Colonial Stock Act, 1877.

2. "The securities in which a trustee may invest under the powers of the Trustee Act, 1893, shall include any Colonial Stock which is registered in the United Kingdom in accordance with the provisions of the Colonial Stock Acts, 1877 and 1892, as amended by this Act, and with respect to which there have been observed such conditions (if any) as the Treasury may by order notified in the "London Gazette" prescribe.

"The restrictions mentioned in section 2, sub-section (2) of the Trustee Act, 1893, with respect to the stocks therein referred to, shall apply to Colonial Stock."

The "Economist" (London, Eng.), of the 30th June, in the course of some explanatory remarks upon the intention of the Imperial Parliament to constitute Colonial Government inscribed stocks trustee investments, says:—

"The object of the first clause is to render eligible the existing inscribed stocks of the colonies, which would otherwise be excluded because of non-compliance with certain provisions of the Act of 1877. A number of these stocks will, however, be excluded for the present, as it is laid down in clause 2 that the restrictions in sub-section 2 of the Trustee Act, 1893, are to apply to Colonial stock. These restrictions are that a trustee may not purchase at a price exceeding its redemption value any of the specified stocks which is liable to be redeemed within fifteen years, at par or any or some other fixed rate, nor purchase any such redeemable stock at a price exceeding 15 per cent. above par or the fixed rate of redemption. A glance at the table we gave last week will show that very few of the existing stocks stand at a price high enough to exclude them under the latter of these two restrictions, but a considerable number of them which stand above par become redeemable within fifteen years, and are consequently ineligible. As early as possible, however, the colonies will seek to refund such stocks at a lower rate of interest. No mention is made in the Bill of the fact that as a condition precedent to the admission of their

stocks into the trustee list, the colonies seeking that privilege will have to undertake to recognize the judgment of any British Court in any action that may be brought in regard to such stocks, and to furnish their agents here with funds for the payment of any amount for which they may be declared by such Court to be liable; but, no doubt, that will be provided for by the Treasury order. And as regards the colonies which may avail themselves of the privilege, it is laid down in the Colonial Stock Act of 1877 that

"The expression 'colony' means any dominion, colony, island, territory, province, or settlement situate within Her Majesty's dominions, but not within the United Kingdom, the Channel Islands, or Isle of Man, and not forming part of India as defined for the purposes of the Acts for the time being in force relating to the Government of India; and for the purposes of this Act the whole of the dominion, colonies, islands, territories, provinces, and settlements, under one central legislature, and also such part of the said dominion and such of the said colonies, islands, territories, provinces, and settlements, as is under a local legislature is deemed to be a colony.

**THE COMMITTEE OF TWENTY-SEVEN WILL
ADJUST RATES ONLY.**

(N. Y. Post.)

At the close of December, 1899, President E. C. Irvin, of the National Board of Fire Underwriters, issued a letter to its members reviewing the serious condition of the fire insurance business and stating that, if they so authorized, he would appoint a committee to prepare a plan of reform and submit it to the companies generally. His suggestion was quickly approved, the committee was appointed, and was selected from the most prominent fire underwriters of all divisions. It, after careful and protracted labour, submitted, at a large meeting in June, a report which was called the "Agreement of 1900" and covered the United States field. This plan was so full and complete that it embraced rates, commissions and many other points.

The fire insurance companies at their meeting authorized the committee to secure signatures. A few days ago it developed that several of the conditions met with the hostility of dozens of companies, including three of the strongest fire institutions in the country. The Committee of Twenty-seven held a meeting yesterday to consider the complications which prevented the obtaining of an adequate number of signers. The chief stumbling blocks were the section regarding the regulation of commissions, and the "separation" plank, which requires companies to refuse to remain in agencies with non-signing institutions. There is practically a unanimous feeling among all classes of underwriters that rates should be raised.

The committee decided yesterday to call a general meeting of companies in August, probably on the ninth, at which it will submit for approval that part of the "Agreement of 1900" which touches the rate question purely, the remainder being abandoned, for the present at least. It will be offered in the following simple but effective form: