

companies transacting business in the United States, in round figures, is about three-quarters of a billion dollars. This vast fund is popularly regarded as belonging to the fire companies themselves, and as a natural result it is regarded as legitimate spoils for the plunder-bund, consisting of everybody who can get in on the game, but principally of large property interests, interested agitators, towns, cities, and last but not least, the States themselves. In the looting process, however, the States have the advantage, because they possess a real or at least assumed right of eminent domain, with powers of condemnation.

This popular conception of the assets of fire insurance is vitally and viciously wrong. It is true that the assets of fire insurance are held and administered in severalty by the companies themselves, but no company can be said to own its own assets. Every dollar of every company is really held in trust. Every dollar is held in pledge to the public and is liable to be called for by the first great conflagration. No company is at liberty to distribute its funds in liquidation except under the rigid scrutiny of the authorities after every obligation has been met.

In the face of these conditions the accumulated assets of fire insurance can only be regarded as a great national fund held in trust for the protection of the American public under the supervision of the authorities—a fund toward which every State has contributed according to its age, insurable values and loss ratio. It is a fund in which every State has a contributory interest, but which no State has a right to loot through legislative or administrative fiat, for every dollar unjustly appropriated, no matter what the pretext, is filched from other States.

Viewed in this light, the aggregate assets of fire insurance are a national fund and a guarantee of safety to the several States, which may be called upon and even exhausted by the next great conflagration. It is the only bulwark of safety against the most probable form of national disaster and cannot be pillaged by one State, however indirectly, without direct encroachment upon the vested rights of other States.

NEW INSURANCE LEGISLATION.

IN BRITISH COLUMBIA.

New legislation applying to other than fire companies has lately been passed in the Province of British Columbia. Companies are compelled to take out a license from the Provincial Superintendent of Insurance. Licenses will not be issued until the applicant company has deposited with the superintendent of insurance securities as follows:—

"If on the next preceding thirty-first day of December the company's total contingent liability or amount at risk does not exceed one million five hundred thousand dollars—"(a) Every company which undertakes life insurance or life and accident insurance, and every company which undertakes guarantee insurance shall keep on deposit twenty-five thousand dollars; (b) Every company which undertakes accident insurance or accident and sickness insurance shall keep on deposit twenty thousand dollars; (c) Every company which undertakes automobile insurance, or insurance against the breakage of plate or other glass, either local or in transit, shall keep on deposit five thousand dollars; (d) Every company which undertakes insurance other than that men-

tioned in the preceding sub-sections against loss or damage to property from any accidental cause, including boiler and other explosion, or by reason of theft, housebreaking, or burglary, shall keep on deposit ten thousand dollars; (e) Every company which undertakes any insurance business within the meaning of this Act shall, if no deposit as hereinbefore prescribed for such business, keep on deposit such sum as may be prescribed by the Lieutenant-Governor in council."

Provision is made for additional deposit of securities with the government to cover increase in the insurance liability carried by companies. Penalty, by way of fine up to \$300, is provided for breaches of the Act. Licenses to transact business under the Act will cost \$250. Companies incorporated by the province and holding licenses under the Companies Act will be entitled to an initial license under the Insurance Act without any further fee. The Act is to come into force on proclamation.

IN ALBERTA.

A new insurance act has been tabled in the provincial legislature at Edmonton. This act provides that insurance companies doing business in the Province of Alberta shall pay license fees. To ensure security of policyholders the act provides that every company doing business in the province shall deposit with the provincial treasurer a sum bearing relation to the amount of risks undertaken by it and every company must furnish information as to its capital and assets and liabilities to a superintendent of insurance who will be appointed.

Any failure to publish an annual statement or to furnish information when requested to do so involves a penalty, and where the provincial treasurer has evidence that the assets have sunk below the amount necessary to meet the unearned premiums and other liabilities or where undisputed claims remain unpaid for sixty days after notice has been given he may cancel the license of the company. Every certificate of insurance after the passing of the act will be required to bear the mark of registration under the provincial act.

The amount of the deposits as fixed by the act is as follows:—Every joint stock company if provincial \$10,000, and if foreign \$20,000, except plate glass insurance companies which shall deposit \$3,000; for benevolent, provident, industrial or co-operative insurance societies not incorporated under the Dominion Act \$10,000, but if doing only sickness and funeral benefit insurance \$2,000; provincial mutual fire or fire and marine insurance companies, \$5,000; while if risks in any one year exceed \$1,500,000, then for each one and a half millions or fraction of that amount, the company is required to deposit an additional sum equal to one-half of the original deposit, or the provincial company shall keep on deposit \$200 for every \$100,000 by which the total contingent liability is exceeded.

Events are unquestionably working towards establishment of better international relations, especially between England and Germany; but these influences are so gradual in their operation that they might be disturbed by any untoward event. Hence a policy of financial caution is inevitable. Unless, however, the political tension returns the end of the present month should mark the climax of Europe's money stringency.—London correspondent, N. Y. *Evening Post*.