

## OFFICIAL RETURNS.

When the recent change at the head of the Ottawa insurance department took place, insurance men were prepared for the probability that under the new regime they would be required from time to time to prepare returns of various kinds additional to those which had previously been demanded. There are many requirements of returns in the leading insurance States to the south which have not yet been domiciled in Canada and it was to be expected that with a change of executives some new ideas on this subject would be brought in. The companies generally are not unwilling to make returns which may be required, provided that they are of a character likely to be useful and not of the sort which merely take time and labour in compilation and are of no earthly use afterwards, and also that some regard is given to the companies' circumstances and convenience.

In a case of returns being required which has come under notice this week, the facts suggest, however, that the demands for these returns are not being made in a manner to ensure a continuance of harmonious relationships between the companies and the Department. One of the important British companies, transacting at home a multiple-line business, but in Canada only fire and casualty insurance, has invested in the Dominion several millions of dollars of funds in mortgages. These particular investments belong to the Company's life branch and as the Company does not transact life insurance in Canada, have nothing whatever to do with the security for its policyholders—fire and miscellaneous—in Canada, which is entirely adequate. They are merely investments made by an English company here. Just lately, the Company's Canadian office has had a demand from the Dominion Superintendent for elaborate returns concerning all these mortgage investments, going into minute details entailing an immense amount of work. The Canadian office passed along the demand to the head office in London, where the investments in question are dealt with. That office very naturally replied that the present, with half the staff away at the Front, is an extremely inconvenient time to get out returns of the elaborate and intricate character required, even granted the power of the Dominion Superintendent to require returns regarding investments which have nothing whatever to do with the Company's business in Canada, although—to the great benefit of the Dominion—they happen to be made here.

That the Dominion Superintendent has this power will probably be news to many British insurance executives. Apart from this, it is merely reasonable to suggest to Ottawa that returns of this kind involving a great deal of labour and apparently not of urgent importance might very well be deferred until such

time as the companies have again their full complements of staff. Probably the circumstances have only to be fully represented for the point to be conceded.

## GETTING OVER THE TREASURY EMBARGO.

A Stock Exchange correspondent of the London *Economist* gives some interesting details which suggest that the Treasury committee in London dealing with applications for permission to issue fresh capital has no light job. As many as 150 applications have been made in one day, and within two or three weeks, there were something like 1400 altogether. Copies of these applications are passed on to the Stock Exchange Committee, by whom they have to be considered, in conjunction with the Treasury officials. As may be supposed, a large proportion are on behalf of private companies and of companies with very small capitals; and, according to Stock Exchange information, there has been a good deal of elasticity displayed in the giving of permission for the issues to be made. Companies which met with chilly receptions were mostly those dealing with foreign undertakings. There have been a few, for instance, which sought powers for raising money in connection with the rebuilding of Belgium. But the policy of the Treasury is well known to be aimed at preventing money from leaving Great Britain, save in very exceptional circumstances; and it can scarcely be held that the rehabilitation of Belgian industries falls at present within the immediate view of practical politics. What the promoters of these capital issues have to show is that the money is required for objects that shall further national interests, to cover which is not difficult for the great majority of domestic applicants. So far as can be judged, adds the correspondent, the Treasury appears to be interpreting its prohibition against new issues with a practical commonsense found none too often in Government departments; and those companies which, wanting money, have yet hung back for fear of prompt refusal, can count upon a sympathetic hearing if they can show that the money is required for purposes that genuinely affect domestic interests without clashing in any way with others concerned with the conduct of the war.

## BANKER'S OPTIMISTIC OUTLOOK.

Mr. D. Drummond Fraser, a well-known Manchester banker, lecturing recently at Sheffield, said that an addition of a billion pounds sterling to the British national debt as a result of the war is equivalent to a mortgage of only nine per cent. on the estimated value of the national property, whereas the British national debt a hundred years ago was equal to 33 per cent. "There is no doubt," said Mr. Fraser, "that the war will cause serious economic losses, against which there will as certainly be economic gains. For instance most obviously there will be less spent on luxuries..... The chances are, however, that the gains will counterbalance these losses. There can be no doubt that immediately after the war we shall have a period of reconstruction accompanied by an artificial stimulus in trade, followed by a period of reaction accompanied by a depression in trade. Beyond that I am one of those who feel that we shall see history repeating itself in an ultimate industrial improvement such as followed the Napoleonic wars."