

of insurance laws. He does make recommendations in regard to actions to recover claims against insurance companies, first, that among other amendments to the Insurance Act it be enacted where any property is destroyed by fire all insurance companies against whom a right of action is alleged to exist must be joined as defendants, and that where the value of the property of a factory or mercantile risk exceeds \$5,000 it shall be obligatory upon the person insured to take stock annually, and a stock sheet duplicate delivered to the banks.

Views of Insurance Men

Insurance men express general satisfaction with the report. "I think that for a layman he has dealt very well with a very technical and intricate subject," said Mr. John B. Laidlaw, of the Norwich Union, "and at any time that I attended the sessions he seemed desirous of getting at the facts in an eminently fair way. I quite agree with him that the chief cause of a high insurance rate is the very heavy losses, and I am thoroughly in accord with his suggestion that the time has come for the government to cease persuading people to be careful and to oblige the careless to be careful. The whole aim of the underwriters has been to avoid discrimination. They have nothing to conceal. They would have no objection to showing at any time that a rate was a reasonable one, and if they could not show it, I am sure they would be glad to change it."

"I am glad to see," said Mr. Laidlaw, "that Justice Masten recognizes the fact that in the past the fire insurance men have been pioneers in fire prevention, but that the time has come for the public to take a hand, too. I think he has prepared a very masterly report, which will probably be considered a classic on the subject of fire insurance."

"We have shown the indispensable character of the Underwriters' Association, if you are going to do insurance at all," said John A. Robertson, secretary of the association. "Provincial control is suggested, not because there was any impropriety, but on the general principle that in a large body there should be some supervision. This was shown by the tenor of the remarks all through the investigation."

Manufacturers' View

A different view was expressed by F. W. Wegenast, of the Manufacturers' Association, to *The Monetary Times*:—

"The position of the Canadian Manufacturers' Association," he said, "has been sustained on all points. The commissioner finds that the Canadian Fire Underwriters' Association exercises a substantial control over rates in Ontario, and that the non-tariff companies do not afford any substantial competition with the tariff companies. The proposal of the insurance companies of a tax of 10 per cent. on unlicensed insurance by way of 'protection' to licensed companies is distinctly negated. The commissioner holds that nothing should be done which would hamper competition of unlicensed insurance, which is the only effective means of controlling the rates of the tariff companies. The association was frankly sceptical as to the efficacy of government control in the matter of rates, and in this it is sustained by the commissioner, who, though he recommends a form of tribunal to hear complaints of discrimination, points out that the insurance company is not in the position of a common carrier, who is obliged to accept the business offered. Moreover, there is always the moral hazard to differentiate risks. The complaints that manufacturers have been subject to arbitrary ratings and rulings are also sustained by the finding of the commissioner that the Canadian Fire Underwriters' Association has not been sufficiently ready to justify its ratings and rulings."

The minister of finance gives notice of a resolution providing for the weight, fineness, etc., of the bronze cent. This is necessary in order to make provision for the coinage of a smaller cent piece, it being announced some time ago that this would be done. The larger coins now in circulation will continue to be current and a legal tender.

ONTARIO METALLURGICAL PRODUCTS IN 1918

Output Reaches Highest Point—Increase of Eleven Per Cent. Over 1917

ACCORDING to the annual report of the Ontario Bureau of Mines, which was presented to the legislature on March 5th, last year the value of the mineral and metallurgical products for Ontario exceeded that of 1917 by \$8,071,888, or over 11 per cent., and marked much the highest point yet recorded in the history of the province. This increase was due to larger production and in part to higher prices. This was especially true of nickel and copper, which were essentially war materials. The signing of the armistice was instantly felt, for the demand for war metals decreased. The effects, the department points out, will be noticeable in the production statistics of 1919.

The gold output in 1918 totalled 411,879 ounces, worth \$8,502,543, or a decrease of 2 per cent. as compared with 1917 production. However, the outlook for 1919 is bright. There was an increase of \$1,181,710 in the value of silver mined in 1918, but a decrease of 2,070,428 ounces in output as compared with the previous year. This was due to the enhanced prices for silver, the average price for the years 1917 and 1918, respectively, being 81.417 and 96.772 cents per fine ounce.

During the past year 1,643,040 tons of nickel-copper ore were raised. Ores smelted totalled 1,559,892 tons, from which 87,184 tons of Bessemer matte were produced, containing 45,886 tons of nickel and 23,483 tons of copper. Of the total of 198,882 tons of iron ore shipped during the year, 91,609 tons went to Ontario blast furnaces and the balance to the United States. The production of ferro-alloys in the electric furnace is a growing industry. As compared with 1917, shipments of molybdenite ore and concentrates fell off considerably, owing to increased mining costs. Likewise, non-metallic products show a decrease of \$1,216,047 in value. Crude petroleum shows an increase in production of 85,769 barrels, due largely to the new Mosa field in Middlesex county, which contributed 108,908 barrels, or 37 per cent., of the total output. Natural gas shows marked decrease in output, due to the regulations placed upon the industry. The supply is now being conserved for domestic uses chiefly.

INCOME TAX MINIMUMS TOO LOW

Speaking before the Open Forum in Hamilton, Ont., on March 2nd, Dr. Horace L. Brittain dealt with the critical subject of taxation. He said the proper method of taxation was to make each person pay for what he received from the community. In the police and education departments it was difficult to do this, but if it were not done where it could be, other citizens had to make up the deficit. Every dollar taken above the amount needed was confiscation, and was morally wrong. He advocated the issue at short intervals of financial statements that could be understood, instead of the involved, camouflaged statements that were issued by all governments. Dr. Brittain then gave some statistics, showing the costs of taxation in Toronto and Hamilton. Hamilton's uncontrollable expenditure had increased in greater proportion during the past four years than had Toronto's, and Hamilton's council charges were higher. The speaker attacked the word "uncontrollable" as used in connection with expenditures, and said that no expenditure was uncontrollable if properly managed. If a tax rate of 30 mills were required it should be levied. If this were not done it would be 40 mills later on, when it should be only 30, because of bad management.

Discussing income tax, Dr. Brittain stated that he thought no income under \$2,000 should be taxed, even for single men. He believed in making the rich people bear the greater burden of taxation, and thought appeals against assessment should go to an expert, rather than to courts of revision as at present constituted. He also thought assessors should be paid higher salaries, so that thoroughly competent men could be secured to do this work.