

change has been followed almost immediately by a rise in the price of oil. The expense of conducting the business was sensibly increased, as any intelligent observer might expect, when decentralization was carried into effect. The constituent companies did not fall upon each other in fierce competition as they were expected to do. So, in this eminently successful suit, little more has been accomplished than to ensure that the oil business carried on by the Standard shall be carried on in future at greater expense. In time this result will perhaps have an effect in causing the abandonment of the policy of pursuing the corporations.

In Canada monetary conditions are practically unchanged. Call loans in Montreal and Toronto are 5 to 5½ p.c. However, rates of discounts applying to commercial advances are very firmly held. Western demand is so insistent as to have a tendency to drive general rates of interest upwards. It has been generally found that a stiff discount rate will often serve to check excessive speculation. Apparently that remedy is now in application in the Western Provinces. The exaction of a stiff rate of interest and the exercise of great care and discrimination in granting credits should have some effect in moderating the activities of the Western speculators. No harm would be done to the real interests of the West if land values there are kept from advancing too rapidly. The cheap land has been the principal attraction for the best settlers; and if the land prices are jacked up too high the country simply loses its drawing power.

PROVINCIAL TAXATION OF LIFE COMPANIES.

The attached statement of the taxes paid by the life companies operating in the province of Quebec to the provincial authorities upon the amount of their premiums collected in the province during 1910, affords interesting evidence of the way in which life insurance is taxed by provincial and other authorities throughout Canada. The province of Quebec has a notable reputation in this regard. The tax whose figures are here given is of 1¼ p.c. and concerns resident policyholders only, that is to say, it is not payable upon premiums which are paid within the province by those resident outside it. The aggregate amount of the tax paid in the course of last year upon the business of 1910 was nearly \$120,000. Additionally to this particular tax, the companies have to pay a provincial registration fee, and have also imposed upon them license fees by a number of the municipalities. So that the aggregate amount of provincial and municipal taxation imposed upon the life companies operating in Quebec is hardly less than 2 p.c. That is to say, for every hundred dollars paid by policyholders in this province in premiums, about two dollars is promptly taken away in taxes.

The same practice prevails in other parts of the Dominion, though nowhere is it quite so much in evidence as in Quebec. Viewed with any regard to the principles of just taxation, the tax upon premiums is utterly indefensible, and can only have been imposed by those who had given no thought to its incidence. It is a direct tax upon and a penalizing of thrift. The decent citizen, who is providing for his own and others' future by taking insurance, and is thereby helping to contribute towards the stability and prosperity of the province, is forced to pay a special tax on his thrift from which the less provident escapes scot-free. The plea of the requirements of the revenue ought not to be allowed in support of so obvious an injustice, especially when the Quebec provincial exchequer, as we heard a week or two ago, is in so flourishing a condition.

The policyholder, of course, does not feel this tax—he pays it indirectly—and we doubt whether ninety-nine policyholders out of a hundred have ever heard of it. But those are no reasons why this impost upon life companies in Quebec and other provinces should be allowed to continue indefinitely, with the possibility of it being put up a little higher at discreet intervals. The companies have themselves tried to lighten this burden on their policyholders, but without success. Why not a campaign of education on the subject among the policyholders? The saving of something over \$100,000 a year in Quebec alone would be worth while.

STATEMENT OF TAXES OF LIFE INSURANCE COMPANIES, PAID TO THE PROVINCE OF QUEBEC, UPON PREMIUMS OF THE CALENDAR YEAR, 1910.

| | Premiums | Amount of Tax |
|------------------------|--------------|---------------|
| Aetna, Hartford. | \$395,660.76 | \$ 6,924.06 |
| Canada | 101,781.61 | 7,031.17 |
| Commercial Union | 20,918.41 | 366.07 |
| Confederation | 115,419.64 | 2,544.84 |
| Crown | 30,946.76 | 541.52 |
| Equitable, N. Y. | 271,368.70 | 4,748.95 |
| Excelsior | 26,235.12 | 459.46 |
| Federal | 42,216.64 | 738.79 |
| Great West | 286,444.88 | 5,012.78 |
| Home, Toronto | 18,204.85 | 400.00 |
| Imperial | 95,093.40 | 1,664.13 |
| Industrial, Quebec | 43,546.71 | 762.07 |
| La Sauvegarde | 145,690.19 | 2,549.57 |
| Liv. & Lon. & Globe | 1,752.16 | 30.66 |
| London & Lancashire | 134,342.84 | 2,350.99 |
| Manufacturers | 244,218.40 | 4,273.82 |
| Metropolitan, N.Y. | 1,271,239.61 | 22,246.69 |
| Mutual of Can. | 241,736.51 | 4,230.38 |
| Mutual of N. Y. | 326,325.04 | 5,710.69 |
| National | 58,683.56 | 1,026.94 |
| New York | 610,195.54 | 10,678.42 |
| North American | 150,927.13 | 2,641.22 |
| Northern, London, Ont. | 12,967.85 | 400.00 |
| North British | 14,230.15 | 249.03 |
| Phoenix of London | 38,025.14 | 665.44 |
| Provincial, Montreal | 17,175.33 | 300.57 |
| Prudential, Newark | 165,346.26 | 2,893.56 |
| Royal | 53,004.83 | 927.58 |
| Royal-Victoria | 75,595.70 | 1,322.92 |
| Standard | 186,041.67 | 3,255.72 |
| State, Indianapolis | 14,489.83 | 400.00 |
| Sun of Canada | 862,878.22 | 15,100.37 |
| Travelers, Hartford | 175,091.57 | 3,064.10 |
| Union Mutual, Portland | 139,997.35 | 2,449.95 |