its reserve for a portion of its expense in securing new business. Such deduction to apply only to policies subject to a net premium equal to or greater than the ordinary whole life net premium, and such deduction at the inception of the contract not to exceed the difference between the net ordinary whole life premium and the net one-year term premium, the said initial deduction to be provided for out of the following four years' premium, by being converted into an annuity for the said four years, the said annuity to be added to the net premium in calculating the reserve, so that the full net premium reserve shall be reached on the payment of the premium for the fifth policy year, the amount of such deduction to be shown in the company's annual returns to the Government. (Vide schedule and table annexed).

"7.—That if a company issues estimates for surplus for the use of agents, there shall be furnished to the Government and published in the report of the superintendent of insurance, illustrations of such estimates for each $1,000 of assurance, on the principal plans of assurance at decennial ages, and that there shall also be furnished for publication a statement of the principle upon which such estimates have been determined.

"8.—The illustration of the surplus allotted by each company at its last division of surplus for $1,000 of assurance on the principal plans of assurance at decennial ages, and for selected durations, be furnished to the Government and published in the report of the superintendent of insurance, together with a statement for publication of the principle upon which the method of distribution is based.

"9.—That section 19 of the present Insurance Act be amended so that the annual statement of the Government of each company shall be submitted to the Board of Directors and signed by their order; that the assurance and annuity liabilities shall be subscribed to by a person who is either a fellow or an associate of the Institute or Actuaries of Great Britain, or of the Faculty of Actuaries in Scotland, or the Actuarial Society of America; and, further, that the other items in the accounts which are included in the said annual statements be signed by the company's auditors, at least one of whom shall be a duly qualified member of an incorporated society of accountants.

"10.—That suitable provision be made to the proposed amendment to the Insurance Act governing and simplifying the conditions under which two or more life insurance companies may amalgamate, or under which one company may transfer its business to another.

"11.—That sub-section 2 of section 10 of the present Insurance Act be amended by the insertion between the phrases "two or more persons resident in Canada" and "appointed by the company and approved by the minister," of the words "or in a trust company incorporated in Canada."

"12.—That the expenses of life insurance companies are materially increased by provincial and municipal licenses and taxes of premiums and interest which expense is necessary by the policyholders and is decidedly objectionable, as being a serious addition to the cost of life insurance, and that the Royal Commission be respectfully requested to consider and refer to this in its report, and, if possible, suggest a measure of relief.

"13.—Taking into account the relations of the Canadian Life Insurance Officers' Association to the companies, and to the business of life insurance in Canada, it is suggested that the amendments to the Insurance Act should include the incorporation of such association as a consultative and advisory body."

PROMINENT TOPICS.

THE MANUFACTURERS' ASSOCIATION AND THE GAS QUESTION.—The executive of the Montreal branch of the Canadian Manufacturers' Association has been advising the City Council to acquire the Montreal Gas Company's plant. It would be well if the manufacturers would take the opinion of somebody who has had practical experience in connection with running civic affairs. They might put forward a man to represent them in the Council. The plan they now recommend is condemned by all experience of Montreal's civic administration and no less by the whole history of municipal ownership.

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SAN FRANCISCO INSURANCE.—Three German insurance companies have agreed to compromise with their San Francisco policy-holders. In consequence of the enormity of the claims made, it is generally thought, that San Francisco will find that the companies will not be so liberal in writing policies for that city in the future.

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BRITISH TROOPS IN CANANDA.—It has been stated in the press that it is not unlikely that the Canadian troops at Halifax and Esquimalt will be sent to England and that these two Canadian ports will be garrisoned by British troops, so as to make a commencement of the proposed system of interchanges. This is a splendid idea. The very fact of having British troops in Canada has a good moral effect at home, and abroad signifies: "All hands off!"

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THE WEALTH OF THE UNITED STATES in 1904, according to the census was $106,881,415,009, an increase of nearly 21 p.c. over the estimates of 1900. Somebody has calculated that were this amount converted into one dollar bills and placed end to end, the strip would be long enough to reach from the earth to the moon and back thirty times.