

an investment nature, subject to the special risks and vicissitudes of colonial conditions, Mr. Ramsay has lost none of the Company's funds. He gives up a life-time stewardship by handing over all that was entrusted to his care, not perfect merely, but enhanced in value, and with it an example and an experience and a record that will redound to his honour so long as the Standard Life Assurance Company exists.... By stainless honour; by shrewdness without craft; by generosity without ostentation; by perennial geniality within the limits of becoming mirth; by dignity without pride; by strictness without severity, Mr. Ramsay throughout his long career has shown that a thorough business man may be a thorough gentleman."

#### AN EXAMPLE OF OVER-TAXATION.

The more the question of the taxation of the insurance companies of this continent is looked into, the more flagrant appear the methods by which policyholders are held up at the behest of the fiscal authorities. A recent compilation by Mr. Boies, statistician of the Association of Life Insurance Presidents, affords some illuminating evidence on this point. So far as defective returns would allow, Mr. Boies got together the figures of the total amount collected by each state in the American union from all classes of insurance companies and agents, including fees, premium taxes, licenses, etc. As it is often very difficult and sometimes impossible to identify in state reports, all the taxes paid by insurance companies, it is probable that many thousands of dollars paid by the companies have not been included in the compilation. Yet the statistics show that taking the states of the American union as a whole, only 6.5 per cent. of the amount contributed by the companies in state taxes, etc., is used for the expenses of the State insurance departments. That is to say, that for the cost of the supervision of the companies, policyholders are overcharged 93½ per cent.

A recent speaker before the Detroit Conference, in calling attention to these figures, suggested that this unnecessary addition to the cost of insurance was due to the refusal of the United States Supreme Court to recognise insurance as inter-state commerce and thereby make it possible to transfer it from the jurisdiction of the States to that of the National Government. Here in Canada, we have a Dominion insurance department, but unfortunately there are Provincial insurance departments also, which afford the shadow of an excuse—though we doubt if the lack of an excuse would deter them—for the Provincial Governments to impose grossly extravagant and unjust taxation upon all the companies transacting business within their borders. We would suggest to our neighbours that abolition rather than reform is the goal which should be aimed at in any action with regard to this unjust taxation. As the Detroit speaker said, "this imposition upon the insuring

public is practised with immunity because the people are unaware of how their legs are being pulled." If the policyholders were once awakened to the facts, these taxes would come to a sudden end, and politicians would be called upon for some strenuous thought on the subject of taxation.

#### THE NECESSITY OF FIRE INSURANCE.

In the course of the resolution passed by the Canadian Fire Underwriters' Association last week relative to the management of the Montreal water-works department, emphasis was laid upon a point which sometimes in these days certain people are apt to let fall a little out of sight—the fact that the security of fire insurance is absolutely necessary if trade and commerce are to continue to be carried on. It would perhaps be more true to say that this fact is denied, if not actually in words, yet very frequently in practice by the actions of legislators and public officials. It is too often the case that fire insurance is treated by them as if it were a parasite upon society, exacting from it extensive tribute but doing nothing in return. This view finds expression in legislation designed on occasions with the single purpose of harassing and limiting the companies in their operations, and in the imposition of various taxes of which it is not an exaggeration to say that one half of them are indefensible upon any just theory of the incidence of taxation.

What then is the function of fire insurance which justifies it not only as being not a social parasite but an integral, basic and essential factor in the carrying-on of the work of the world. It is that it acts as the agency through which the losses by fire that fall upon the few are distributed throughout the community. The funds of the companies are at all times available for the filling in of gaps made in the general store of wealth by the ravages of fire. They form, as it were, a reserve available for use at any point required in the commercial fighting-line. For instance, in Canada last year the companies having a Dominion license to transact fire insurance covered risks of \$1,987,640,591. To meet losses on those risks they had assets of several hundred millions of dollars and they actually paid out last year for losses incurred \$10,936,947. It is pretty obvious that had these funds not been available to take the place of consumed values that considerable hardship, and in certain cases, disaster to business must have eventuated. Through the fire insurance payments/factories were re-built, stores re-started, homes again set up, that without them must in the great majority of cases have remained non-existent.

Moreover, fire insurance plays an important part as a foundation stone of credit. It is impossible to conceive of the present day facilities for credit, upon which modern business so largely depends, without