

not only give them freedom from taxation for a number of years, but a bonus in addition?

We are glad that the members of the private Bills' Committee paid attention to the very vigorous protest lodged by the bankers and others, and threw out the clauses taxing bank capital and dividends. The tax on stock sales of 1-20th of 1 per cent. is also unwise, and will, we believe, be found to be practically unworkable. Making Departmental stores pay more than their fair share of taxation is not equitable. It must also be remembered that many of the employees of banks and manufacturing concerns now contribute towards the City's revenue in the shape of rentals, water rates and business taxes.

The City Council should have obtained permission to increase the taxes on Real Estate by say, 1-4 of 1 per cent.; to increase the business tax from 7 1-2 to 10 per cent.; to increase the water rates from 7 1-2 to 10 per cent. These are the taxes which are the most equitable, inasmuch as they reach the whole community, and, after all is said and done, the poorer class of people would be called upon to contribute very little extra. The increases would bear very lightly upon them. For instance, take the ordinary water-rate. While those owning large houses would contribute anywhere from \$25 to \$50 extra, the working man and others would only contribute from \$1 up to \$5 or \$6 extra.

The Council need not necessarily impose these taxes, but it would have been a wise movement to be empowered to do so, if deemed expedient, or in case of necessity.

Living on borrowed money is all very well, but this borrowed money has to be repaid, and in the meantime, interest charges, already too high, and the cause of our trouble, will be largely increased. Montreal should be in a position to-day to pay its way. It is ridiculous to have to borrow money for putting down sidewalks, repairing a street or repairing a reservoir.

We shall make further reference to the City Charter in our next issue.

Since writing the above, it is reported that the bill for the widening of Notre Dame and St. Antoine streets has been killed. So, once again, the Legislative Council has come to the rescue of our city, and clearly shown the necessity for the existence of such a body as a brake upon the coach of too-rapid progress.

LIFE ASSURANCE AND SPECIAL TERMS.

"The Dangerous Practice of Rebating."

Our series of articles, "The Scandal of Modern Life Assurance, have served the purpose for which they were written, and re-awakened interest in the effort to check this ever-growing evil. Whatever defence of the practice of rebating may be attempted by those who have derived some temporary profit therefrom, nothing said or written has yet relieved the companies from the blame attaching to them by reason of

the fact that a vicious, unjustifiable, and discriminating practice has resulted from methods that they adopted or originally sanctioned. Some of the British insurance journals are now dealing with this miserable product of keen competition, and "The Commercial World" (London, Eng.) has commenced a series of articles on "Life Assurance and Special Terms." In the first of these, a very forcible and plain production, the writer says he intends to show how competition and expenses have increased side by side until even the rates are no longer sacred, but begin to give way before "special arrangements," which only tend to augment "the disparity between the former and the present ratio of expenditure." The following extracts fully support the views we have tried to give expression to in recent numbers of THE CHRONICLE:—

The conditions under which Life Assurance is now pursued bear very little resemblance to those which prevailed a quarter of a century ago. In those days, and earlier, there was something very sedate and peaceful about a Life Office. You could perceive from the look of the place that its foundations were laid on something which very closely approached mathematical certainty. Of the more strenuous and energetic business element there was little to discover, because unusual efforts were not necessary. A sound office had its own select circle which was allowed to enlarge itself in natural course. New business came in, with but little solicitation, in just sufficient quantity to overbalance the claims and surrenders, and the quiet and certain growth was in general viewed with satisfaction and complacency.

Now all that is changed. It is indeed still possible to find a few Companies which jealously preserve the old traditions, and, in spite of the newer fashions, resolutely continue in the old ways. But these are exceptions, and only one or two of them can be said to be doing really well. In general the Life Offices have caught some of the fever which now so acutely affects Fire Insurance, and no doubt, partly in consequence of direct association with the Fire business, have shown a strong disposition to adopt some of its practices. We have been observing the process for some considerable time, not without misgivings as to the future, and think that a few serious remarks on the subject may not be out of place.

The fact is well known that a few years ago the Fire Companies found themselves in an extremely awkward plight. Several extraordinarily bad years followed one another, and the losses assumed such alarming dimensions that it became absolutely necessary to search out the causes and to remedy them. That was done, with an almost immediate improvement. It was found that competition had run away with the Companies, and that in their eagerness to grow big in a day, they had been accepting inferior risks at shockingly unremunerative rates.

So far as we can judge of the situation at present, the Life Companies, though altogether more cautious,