

It is imposing an extra burden of a discriminatory character upon those who are provident and make provision for the support of those dependent upon them in case of their bereavement and which thus relieves the State from the liability of their support. It is the imposition of an extra, unjust, discriminating tax or burden on the thrifty.

For these taxes necessarily came out of the pockets of those who insure their lives or, in the case of fire insurance, their property, the improvident get off Scott free.

Another and very serious matter for consideration is the fact, that the funds of a life company are the property of the policy-holders, held in trust by the companies for future distribution.

It would be quite as reasonable to tax the deposits in Savings banks.

LIFE INSURANCE IN CANADA, 1905.

In this issue we present a table showing the business of the whole of the Canadian life insurance companies for last year, with some of the British and American.

Considering under what conditions the life business was conducted last year, it is surprising and most gratifying to find how large an addition was made to their business in 1905.

The following are the totals for past three years:

Canadian Companies.	1903.	1904.	1905.
Net premiums.....	\$10,864,589	\$11,939,252	\$13,917,543
Increase in year.....		1,074,663	1,978,291
Amount of policies, new and taken up.....	54,971,754	58,755,263	68,978,458
Increase in year.....		3,783,509	10,221,195
Net amount in force.....	334,776,000	363,613,255	401,203,480
Increase in year.....		28,837,255	37,590,225

The increases were as follows:

Increase in net premium, 1905 over 1904	\$1,978,291
Increase in amount of policies, new and taken up.....	10,221,195
Increase in net amount in force.....	37,590,225

In each item the increase is considerably more than in previous year.

It is manifest from the above returns that the wave of distrust and discontent which swept over the United States occasioned by the malignant attacks on life assurance which appeared in a large number of American newspapers, broke on the Canadian shore.

The companies operating in Canada are now about to face the ordeal of investigation by a Government Commission, which we have confidence in their passing through without injury, though they will be liable to be hurt to some extent by misrepresentations and non-intelligent criticisms.

THE SOVEREIGN BANK OF CANADA.

ENLARGEMENT OF PAID-UP CAPITAL.

IMPORTANT CONNECTIONS MADE IN EUROPE.

The Sovereign Bank of Canada has made an arrangement of considerable importance to Canada for it evidences the confidence existing in financial circles in Europe regarding the conditions and prospects of this country.

The Dresdner Bank, of Berlin, which is one of the largest banks in Europe, has purchased a block of the stock of the Sovereign Bank of Canada, comprising 15,625 shares of \$100 each at a premium of \$30, which amounts to \$2,031,250, consisting of par value of the shares, \$1,562,500, and premiums, \$468,750. The present capital of the Sovereign Bank amounts to \$1,625,000, which is to be supplemented by an issue of \$812,500 to the existing shareholders at the same price as above, which will yield \$1,056,200, comprising capital of \$812,500 and \$243,700 premiums.

As the present paid-up capital is \$1,625,000 these additions will make the total \$4,000,000.

The paid-up capital and reserve fund together will amount to \$5,300,000.

The Dresdner Bank, which has secured a large interest in the Sovereign Bank, has no desire to obtain control of the stock of the bank, and does not even seek to ask for representation on the Board of Directors.

Such a development will add much to the prestige of Canada. It can hardly fail to draw the attention of all European bankers and financiers to this Dominion as a field for investment, the result of which will have an important bearing upon the progress of this country. The Sovereign Bank of Canada will become an institution of much interest throughout Europe, and no doubt this publicity and consequent prestige will bring a large accession of business some of which is stated to be already in sight.

The Dresdner Bank has a capital and reserve of over \$50,000,000, and assets over \$222,000,000. A leading director from Berlin visited Canada and the United States recently, when instead of opening a branch on this continent he decided to acquire an interest in a Canadian bank which led to an arrangement for purchasing a large block of stock in the Sovereign.

The Dresdner's head office is at Berlin and it has a branch in London.

The shareholders of the Sovereign Bank and its General Manager, Mr. Duncan M. Stewart, are to be congratulated upon this important, and what is certain to prove profitable, connection having been formed.

The special meeting of shareholders of the Sovereign Bank held at Toronto yesterday was of a most satisfactory character and unanimously ratified the arrangements outlined above.