

would have been theirs to-day. The extinction of capital in the San Francisco conflagration in 1906 partly contributed to the financial collapse in America in the autumn of the following year. The disaster would have been more widespread had not British capital, in the form of insurance monies to the extent of nearly one-half the total loss sustained, helped to redress the balance of things financial. A fire insurance policy is a necessary part of financial security, and here again there is another asset in national life.

To the departments mentioned, of course, falls to be added the security afforded by Marine, Accident, Workmen's Compensation, Third Party, Burglary, Plate Glass, Fidelity, and many of the other numerous sections which insurance now embraces. Whatever loss an individual may be exposed to, he can get others to share it with him by means of insurance. As Americans say, you can get underwriters to insure you against any contingency except cold feet.

A national necessity is financial security, and insurance has in its own sphere met the necessity in the adequate way. As Mr. Cook aptly remarks, "It has become a trustee for the public well-being, and has fulfilled, is fulfilling and will continue to fulfil, the functions of its office with credit to itself and its constituents."

CANADA'S TRADE WITH MEXICO.

Desirability of Fostering Commercial Relations with the most Progressive of the Latin-American Republics.

On October 1, there will go into effect the first parcel post between Canada and Mexico—another evidence that intercourse between the Dominion and the most progressive of the Latin-American republics is steadily becoming more important to both countries. Exceedingly interesting is it to note that while Mexico's foreign trade generally has shown a falling off during months of depression, its commercial dealings with Canada have continued to increase. According to Mr. A. W. Donly, Dominion trade agent in Mexico, the republic's total foreign trade for the fiscal year thus far has shown a decline of some \$30,000,000; while imports from Canada have increased by about \$100,000 and exports to Canada by about \$50,000.

Much is heard about Canadian investment interests in Mexico. Less attention than is deserved has thus far been directed to the development of commercial interests. If advantage is not taken of the former in promoting the latter, the expenditure of Canadian brains, brawn and capital in the organizing of Mexican traction and power enterprises will not have achieved all that had been expected of it.

Writing in the Financial Review of Reviews, Mr. Percy F. Martin, F.R.G.S.—author of Mexico of the Twentieth Century—voices strong regret that one-time British trade supremacy in Mexico has given way to that of the United States. He notes with satisfaction, however, that Canadian enterprise is reaping no inconsiderable advantage from intercourse with the southern republic, during its era of commercial soundness ushered in by the currency reforms of 1905.

Mr. Martin points out that few outsiders have

any accurate idea of the importance of this Spanish-American Republic as an industrial and commercial market. In point of population it has made remarkable headway during recent years. In 1900 the inhabitants of the country numbered about 13½ millions; to-day they total 15 millions. Well in keeping with growth in population has been the expansion of the foreign trade of the country. Comparing the years 1905 and 1907 the total of annual imports advanced from about \$90,000,000 to \$124,000,000—or by well over 35 p.c. Equally notable are export figures, the increase having been from about \$100,000,000 to nearly \$130,000,000 in the same interval—or almost 30 p.c.

Canadian trade with Mexico has not yet assumed very great proportions, but the rate of growth at the eve of the trade depression of 1907-8 was noteworthy, as will be seen from the following tabular summary.

TRADE OF CANADA WITH MEXICO.

(From Canadian Returns)

YEARS ENDED	IMPORTS FOR CONSUMPTION	EXPORTS	TOTAL TRADE
	\$		\$
June 30, 1896	14,096	23,780	37,876
" 1897	8,711	37,425	46,136
" 1898	11,718	31,472	43,190
" 1899	44,898	103,978	148,876
" 1900	56,218	149,590	205,808
" 1901	16,000	72,498	88,498
" 1902	112,178	82,605	194,783
" 1903	123,333	137,034	260,367
" 1904	85,078	124,408	209,486
" 1905	60,911	115,875	176,786
" 1906	287,516	259,372	546,888
" 1907	936,154	460,601	1,396,755
Mar. 31, 1908	919,826	477,119	1,396,945
" 1909	313,483	817,015	1,130,498

Details of exports and imports for the five fiscal years ending with 1908, are given on the opposite page.

With the return of more active business conditions, there are prospects of steadily increasing trade. The extent of such increase must, of course, depend largely upon the alertness and energy of commercial and manufacturing firms in Canada.

TAXING DEATH.

The State Tax Commission of Minnesota recently gave a hearing to Mr. Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Precedents. Mr. Cox argued ably for a reduction from the tax on gross premium receipts now levied on life insurance by the state. He urged the deduction of death losses, matured endowments, annuities, surrender values and dividends from the receipts before the tax is imposed. Said Mr. Cox in opening his remarks:

"Death and taxes have been associated for ages in a common saying which cites them as the only exceptions to the uncertainty of human affairs. It was not, however, until within recent years that protection against the results of death were made a basis and at the same time a measure for taxation. This has been done under the guise of taxing life insurance companies.