

agency contract. In the case of fire insurance, the agents' license fees are stated as follows: (a) in cities \$20 per annum; (b) in towns, \$5; (c) in villages and rural municipalities \$3. In the case of life and other classes of insurance the annual fee is to be \$2.

#### FIRE POLICY CONDITIONS.

Amendments to the statutory conditions in the policies are also proposed, these following the lines of the recommendations made at the Calgary conference of Western insurance superintendents last year.

#### SAVINGS BANK LIFE INSURANCE.

The chief supporters of the Massachusetts so-called "Savings Bank" life insurance experiment, who have personally contributed large sums to meet the expense of employing solicitors and other incidentals which do not appear at all on the state records, are now asking the legislature to make an additional appropriation to cover the expense of advertising the experiment. Considering, says an exchange, that it is already securing an enormous amount of advertising, presumably free, and that the extra appropriation asked for is a comparatively small sum—\$2,500—the amount of influence which is being brought to bear to obtain the appropriation would appear to the casual observer surprisingly large. Equally surprising would also appear the secrecy maintained by those seeking the appropriation with regard to the amount of their contributions to the expenses, which do not appear in the state record. At the recent hearing given on the appropriation bill it was gathered, incidentally, that these contributions were, at least, equal to the appropriations made by the state, while the admission of one of those present that he had himself personally contributed no less than \$5,000 to meet these unrecorded expenses would indicate them to be considerably in excess of those on record. It is therefore certain that the actual expense of conducting the Massachusetts savings bank life insurance scheme is very much greater than it is generally supposed to be, and that the public is being studiously kept in ignorance of the actual condition of affairs. It is claimed that the scheme has reduced the cost of industrial insurance. But any organization can sell cheap insurance when its expenses are provided for by a state appropriation supplemented by private contributions, and when its competitors are barred by law from selling insurance on equal terms, that is, over the counter, thus avoiding the expense of collection of premiums. Why should the facts be concealed from the public?

#### AETNA LIFE INSURANCE COMPANY.

An unfortunate typographical defect last week in the balance sheet of the Aetna Life Insurance Company (page 218) made the total on the liabilities side appear as \$19,516,736 instead of \$119,516,736. The context made both the defect obvious and the right figures apparent, and probably no reader of the exceedingly satisfactory statement published by this fine old Company was misled by the defect. This mention of the fact is made, however, to make assurance on that point doubly sure.

#### EFFECTIVE ADVERTISING.

The navy's new fourteen-inch rifles will spend \$750 a shot in battle action. A clean hit is worth that much. A miss is sheer waste. Advertising is not very different from gunnery. It is easy to send up clouds of smoke and a mighty noise with no results. So-called "institutional advertising" is one of the modern inventions of aggressive advertising agencies, and is just about as effective as loading forty-two-centimeter shells with split peas. It is shooting with no definite aim and only the broadest general purpose. Shrapnel fire, say observers, is effective within forty yards, and then only scattering, while rifle fire with individual directness sweeps the field. The most effective results in any line are obtained by advertising in journals devoted to that business. They directly influence the salesman—the intermediary between producer and consumer. They speak straight to the man whose sole interest is to make sales and to whom the consumers look as an authority when they buy. A single advertisement commanding the attention of a hundred salesmen will bring more direct sales than several hundred times the cost spent in trying to attract the cursory interest of the general public. This is no theory, but a fact demonstrated by the growth and influence of the trade press in every phase of modern business. It is especially true in all branches of insurance, because the direct sales in that line are a negligible quantity, and a staunch agency force is a company's backbone. Companies, it is true, build their agency plants through the efforts of special agents, but the local man has his own well-founded ideas of the general standing of an institution, through its advertising and what he has read of its methods in the journal he takes each week. These ideas, in the majority of cases, have more influence with him than he would himself admit, but they are the result of years of impression, slowly made and firmly founded. Advertising ammunition used in that way flies straight as the arrow to the gold—and it wins.—*Weekly Underwriter*.

#### BRITISH LIFE COMPANIES AND NEW INCOME TAX.

The companies pay tax at the unearned rate, which will in future be 2s. 6d. in the pound, and for companies earning even the moderate rate of 4 per cent. this means a reduction of no less than 10s., so that the rate will be reduced by income-tax from 4 per cent. to 43 10s. per cent., instead of only to 43 15s. per cent. under the 1s. 3d. rate of tax. One compensation in the present situation is the probability of Stock Exchange prices remaining at a low level for many years to come, so that the offices will have the advantage of investing increasing funds at a higher rate of interest than before, but, on the other hand, of course, there is the disadvantage that the present funds of insurance companies generally will for the same reason be somewhat depreciated in market value.—*Scottish Life Notes*.

#### PHOENIX ASSURANCE COMPANY OF ENGLAND.

Sir Henry K. Egan, of Ottawa, has accepted membership of the Canadian board of the Phoenix Assurance Company, of London, England.