

aggregate \$129,691,750, as against \$99,228,900 for the first six months of 1910, an increase of over thirty million dollars. The following table gives comparisons by months for three years:

	1909.	1910.	1911.
January.....	\$22,735,000	\$15,175,400	\$21,922,450
February.....	16,131,000	15,489,350	16,415,000
March.....	13,795,400	18,465,550	31,569,800
April.....	19,345,300	18,091,800	17,670,550
May.....	17,360,400	18,823,200	21,422,000
June.....	14,435,900	13,183,600	20,691,950
Total, 6 mon.	\$103,803,000	\$99,228,900	\$129,691,750
July.....	15,830,900	26,847,900	
August.....	16,423,000	21,570,550	
September.....	15,043,000	11,700,000	
October.....	17,765,200	37,188,300	
November.....	14,808,550	16,407,000	
December.....	19,975,500	21,528,000	
Total for year	\$203,649,150	\$234,470,650	

There were during June this year some 277 fires reported, each of which caused a loss of \$10,000 or over. The increase of \$30,000,000 in the fire loss of the first half-year of 1911 as compared with the same period of 1910, observes the New York Journal of Commerce in commenting upon these figures, has given the fire underwriters a hard experience. Few fire insurance companies doing a general business throughout the United States have made any underwriting profit this year. Managers of fire insurance companies are, many of them, very pessimistic as to the outlook, and it is likely that several companies will retire from business before the year closes.

INSURANCE AND HOME BUILDING.

An interesting experiment is announced by the Metropolitan Life of New York, which it is possible may have far-reaching results. The directors have recently authorised a mortgage loan of approximately \$650,000 for the erection of small dwellings in Brooklyn. The houses are to be constructed by a building corporation to sell for \$5,500 each. It is planned to erect two story, brick dwellings, containing seven rooms and a bath. Each will be semi-detached and will be on a lot 24 x 100 ft. A first mortgage of \$3,250 will be placed on each house by the Company at 6 per cent. interest, to run for twenty years, payable in semi-annual instalments, during that time, so that at the end of the term the property will be free and unencumbered. In addition, if the purchaser desires, the Company will give him an insurance policy. This policy will be a single premium term policy with decreasing amounts of insurance. The purchaser pays the single premium in advance and should he die at any time within twenty years, the mortgage is cancelled. The policy is so arranged that when the mortgage is fully paid up, the insurance expires.

In this connection, attention may be drawn to the very interesting brochure on this subject lately prepared by Dr. Lee K. Frankel, assistant secretary of the Metropolitan Life. In this brochure, Dr. Frankel describes the systems which have been in vogue for a number of years in Germany and in Belgium, under which insurance funds are applied for the purchase or erection of working men's homes. Under the Belgian plan, which more closely resembles that now proposed by the Metro-

politan Life, the original insurance device was that when a loan was made the building society required the borrower to take out an endowment policy equivalent to the amount of the loan. This policy was taken with the savings and annuity bank, a Government institution. The building society in lending the money on mortgage advanced a year's premium, so that during the year, in monthly instalments, says Dr. Frankel, the borrower was expected to pay the interest on the mortgage and the advanced premium, together with the annual premium. At the end of the period for which the loan was made, the value of the policy equalled the amount of the loan and one cancelled the other.

More recently a novel scheme of insurance was devised. Instead of the endowment policy, the general manager of the bank devised a term policy with annually diminishing amounts of insurance. Instead of an annual premium on this policy, the building society pays to the bank a single premium covering the term for which the policy is to be in force. This single premium is added to the loan, which is payable in monthly instalments, and the total sum is repaid by the borrower in equal monthly instalments during the period of the loan. Under this plan the borrower is insured year by year in an amount sufficient to cover the balance due on the mortgage. As the expiration period of the policy and of the mortgage are synchronous, the last payment on the mortgage has been made when the policy expires. Should the policyholder die at any earlier date, his home goes free and unencumbered to his estate.

Dr. Frankel points out that no insurance company can undertake to lend money at the rates of interest in force in Germany and in Belgium. To lend money for home building purposes to small borrowers would, in his opinion, require one of two methods—either the insurance company would have to establish a special department for this purpose, or it would lend its money in larger sums to an intermediary company similar to the building societies in Belgium. The obstacles in the way of making loans for workmen's homes have been the question of interest and the security of the loan. The announcement now made by the Metropolitan and given above is an indication that the management intend to devote their best energies to the solution of the problem and thereby extend even farther the utility and benefits of life insurance and its organisation to the masses of the population.

Let us try for a while the German way as experienced by an American stopping in Berlin. He awoke to find fire burning through his ceiling. Chemicals were used to extinguish it, and the next day everyone, the man who turned in the alarm, tenant, landlord and builder, was summoned before the fire marshal. The blame was finally placed upon the builder for setting a stove so that a hot coal could escape from it and set the floor on fire. He had to pay the loss, the cost to the city for responding to the alarm and a fine of 500 marks as a reminder that German laws are intended to be observed. Some of that here would do good!"—Arthur Hawxhurst, Insurance Manager of Marshall Field & Co., in address before Chicago Credit Men's Association.