## INSURANCE INSTITUTE OF TORONTO

The opening meeting of the Insurance Institute of Toronto took place in that city on the 28th ult., under the chairmanship of the new president, Mr. W. H. Hall, general manager of the Canadian Surety Company. Mr. Hall has taken an active interest in the Insurance Institute of Toronto for many years, being one of its charter members and also its first Secretary. He informed his audience that the membership roll numbers about 450. The Institute's financial resources have largely increased and it has now a substantial invested surplus.

The organization of the Institute was originated by Mr. John B. Laidlaw, the well-known manager of the Norwich Union, while its first president was the late Mr. J. J. Kenny.

In the course of an able presidental address Mr. Hall said:—

### LOANS ON LIFE POLICIES.

Loans made by policyholders on the security of their policies and the taking of cash surrender values have increased very materially with many of the companies, and with some have become a serious problem, and the whole question is receiving the most serious consideration on the part of the managers. As is well known policyholders under the very liberal policies how in force can obtain loans on their policies on very attractive terms and usually on demand, and while it may be said that a transaction of this kind is simply one of lending to the policyholder his own money, at the same time it should be pointed out that the life companies, relying on current income to more than offset current outgo, invest their money in long term securities and do not contemplate keeping on hand any very large bank balances. It should also be remembered that by this method of investment very advantageous rates of interest are usually obtainable. It is not to be wondered at therefore, that the life companies in Canada, and indeed in the United States also, have given much consideration to the suggestion that notice of say three months must be given before the loan need be made. When it is considered that the bulk of life insurance business is issued on the participating system under which policyholders share in the profits to the extent of at least 90 p.c., and moreover that the loan privilege in itself is conducive to terminations and thus against the insured's best interests the proposed restrictions should not be considered as unduly stringent by the policyholders themselves to whose benefit such restrictions would surely work.

### FIRE INSURANCE.

The immediate past president, Mr. Payne, in his inaugural address last Session dealt exhaustively with the subject of Fire Prevention. From the proceedings of the eighteenth annual meeting of the National Fire Protection Association held in Chicago in May last, I quote in part the report of the Canadian Committee as follows:—

"The work of the Ontario Fire Prevention Association was extended during the year to Ottawa, where a large and influential subsidiary organization was formed. The Canadian Manufacturers' Association, acting in co-operation with the Ontario Fire Prevention Association arranged a series of important and largely attended meetings, at which Secretary Wentworth, of the National Association was the principal speaker. The initiative in this special tour was made by Mr. E. P. Heaton, while still a representative of the Canadian Manufacturers' Association. The meetings were held in Montreal, Ottawa and Hamilton, under the auspices of the Canadian Club; in Toronto under the auspices of the Board of Trade.

We are also much gratified to report the passage of a bill establishing the office of Fire Marshal in the Province of Ontario."

A short time ago the Superintendents of Insurance for Manitoba, Saskatchewan, Alberta and British Columbia formed an Association having for its aim the making uniform of statutory conditions throughout the Dominion. So far as I am able to learn the standard adopted for such Legislation is practically the same as the Province of Ontario conditions with one exception only in the amount of gasoline allowed on premises.

### CASUALTY INSURANCE.

The most important development in Casualty Insurance during the past year has been the passing by the Ontario Legislature of a Workmen's Compensation Act to take effect as from the 1st January, 1915.

The contract furnished by the Casualty Companies undertakes to indemnify the Employer "against loss from the liability imposed by Law" upon him for damages on account of bodily injuries or death accidentally suffered by his Employees, etc. Under the Law heretofore obtaining the injured Employee was bound to assume certain risks incident to his employment and, consequently, the Employer was not held liable for accidents so sustained. The Employer also had such defences as Contributory Negligences on the part of the injured; accidents caused by a fellow servant in like employment, etc. The Casualty Companies who issue a Liability Policy would naturally take advantage of the Employer's defences when such defences were justifiable, the same as the Employer would do if he were not insured.

The new Workmen's Compensation Act passed by the Ontario Government does away with an Employer's defences, which means that no matter who is to blame for the injury, compensation, as provided for under the Act, must be paid to the injured employee. The Government has adopted a system of so-called State Insurance, thus taking from the Employers of Labor the privilege of insuring their risks, as in the past, with Casualty Companies approved of by the Government.

The Manufacturers will be formed into different groups, each group taking care of all accidents under the assessment plan. At the end of the term if the losses exceed the amounts paid into the different groups, assessments will be made to make up the difference.

## MOUNT ROYAL ASSURANCE COMPANY.

The directors of the Mount Royal Assurance Company, Montreal, have donated the sum of $1,000 to the Patriotic Fund. In addition to this we understand that the sum of $500 has been subscribed by the company's agents and staff for the same object.

One large German life company announces a restriction on life policy loans to a maximum of 1,000 marks (about $250).