

area, with diversified conditions so as to ensure average results, the unfavourable business in one part, or sections, being offset by more favourable experiences elsewhere. Suppose the whole insurance in the wholesale districts of Baltimore, or Toronto, which were destroyed by recent conflagrations, had been confined to companies whose business was restricted to those districts, where now would be the merchants whose stocks were burnt, and where would be the owners of the destroyed warehouses? Had the insurance been so localized, Baltimore and Toronto would each have been struck a ruinous blow. What saved those cities, what kept hundreds of merchants out of insolvency, was the fact that, the properties burnt were insured in companies who possessed financial reserves built up out of business spread over a large part of the British Empire. The doctrine which some critics preach, that insurers of property ought not to be expected to contribute towards losses in which they are not directly interested, which means their individual losses, would render fire insurance impracticable, if pushed to a logical issue, this would destroy all combinations to provide protection; it would result in every man carrying his own insurance on his own property, the outcome of which would be wholesale bankruptcy when an extensive fire occurred, and ruin, more or less absolute, whenever a single fire broke out.

The inadequacy of rates to build up conflagration reserves has resulted in a very large amount of capital being lost in insurance enterprises, scores of companies having had all their capital and funds utterly swept away by conflagrations and a succession of fires. This experience is highly injurious to the companies, as it engenders distrust, and a form of prejudice which is inimical to their business. The imposition of rates inadequate to build up reserves sufficient to provide for conflagration losses, is consequently most unbusinesslike; it is a reckless course, the natural goal of which is disaster, whereas the imposition of such rates as have been proved necessary to enable fire companies to meet every contingency, is essential to their very existence, adequate rates, therefore, are essential to property owners having the protection of fire insurance.

BRITISH LIFE INSURANCE RETURNS.

Although the English Insurance Blue Book is dated "1904," there are few statistics of a later date than 1902. Why the returns are so late in publication is a mystery, as there is nothing in them to require many months of preparation, certainly nothing comparable to the elaborate statements published some time ago by the New York State Insurance Department, which are brought up to the close of 1903.

The life business in the year 1902 in Great Britain,

did not enlarge as much as it did in 1901. At the end of 1902 the Ordinary insurance in force, was \$3,383,368,170, against \$3,306,807,210 in 1901 the increase amounting to \$76,560,960. In 1901, however, the year's increase was \$110,486,000. The Industrial business expanded in 1902 by a much higher ratio, the increase being from \$1,037,735,700, to \$1,105,688,205, the gain of the year, 1902, being \$67,952,505, as compared with the gain of \$61,852,700 in 1901. The average amount of the ordinary policies was reduced in 1902. This feature, and the more rapid development of industrial insurance, indicate the greater extension of life insurance amongst those of smaller incomes. Taking each pound to represent \$5, the average "Ordinary" policy in 1902 was \$1,565, and the average "Industrial" policy about \$49. Of the latter class there were 22,518,046 policies in force in 1902, representing an industrial life policy for over one-half the population of the United Kingdom. The ordinary policies numbered 2,159,957, which gives a life policy of this class for each person in twenty of the population. Clearly, there is a very wide field open in Great Britain for life business.

The endowment insurance seems to be still growing in favour in the old country, an increase having been recorded in this class of business, of \$74,070,880, over 1901. Whether the growing preference for endowment insurance over whole life insurance is a wholesome sign, or otherwise, is a debateable point. The social feature of females of a better class engaging in wage-earning occupations is, probably, having some effect in lessening the urgency for such persons being protected by their parents' life policy. The fact of endowment insurance growing in favour in Great Britain is proven by the returns in the Blue Book. This preference may bring business that otherwise would not be secured, so, taking this view, the extent to which, endowment insurance enlarges the field in which life insurance may be reaped, is a gain to insurance business.

DINNER TO MR. SPENCER C. THOMPSON, F.F.A. F.I.A.

On his retirement from the position of manager of the Standard Life Assurance, after over nearly thirty years occupancy of that office, Mr. Spencer C. Thomson was given a dinner by the Associated Scottish Life offices and the Faculty of Actuaries in Scotland. Mr. Gunn, president of the Faculty of Actuaries, presided. The chairman, in proposing Mr. Thomson's health, referred to the office he held as meaning, "the management and development of a large business out of the United Kingdom, requiring not only a commercial training quite outside what those in home offices are accustomed to, but also an acquaintance with foreign modes of life, foreign laws, foreign investments, and, above all, an extended