

dissatisfied membership; of serious accusations against and convictions of officials; these and other items of news interest have scarcely contributed to recent progress and prosperity for the institution which flourished as the proverbial tree of bay in the whilom heyday of assessmentism. That a grave mistake was made in ever admitting the Mutual Reserve to Canada became strikingly evident during the examination made by a committee of the Senate before the passing of the special legislation of 1904 relating to Canadian policy-holders whose contracts were dated prior to August 11, 1899. On policies issued after that date, it will be remembered, the company was re-required to keep legal reserves, upon which the earlier assessment business could have no claim.

The enactment of 1904 obtained for assessment policy-holders non-participating contracts of life insurance with fixed and definite premiums, on which the company should have no right to levy assessments, but should be bound to maintain a legal reserve. But this tardy governmental action could not undo the public harm done by the retarding of legitimate life insurance progress during the years when assessmentism in its most objectionable form was rampant in the Dominion. Back in February, 1905, THE CHRONICLE objected earnestly to "any foreign society entering the Dominion until it had put up the full deposit, full reserve, and guaranteed the amount of its certificates in the same way as regular companies." In December of the same year THE CHRONICLE pointed out that the Mutual Reserve was breaking the law by using the death claim fund to pay expenses. Scarcely less worthy of condemnation was the levying of an assessment the whole of which went into the pockets of the agents, not a copper being sent to head office. Against assessment life insurance companies—among which the Mutual Reserve was the great exemplar—this journal consistently waged war ever since the hurtful system began to be operated in Canada. With all concerned in the insurance interests of the public, it rejoiced three years ago that "the largest most prominent and most aggressive company of the assessment class was driven by dire necessity to abandon that system and reorganize on the lines of level premium companies." Two years before the Canadian enactment of 1904, the association had been formally reincorporated as a regular life company under the law of the State of New York, but the provision made for assessment contracts was so inadequate, as to necessitate the Dominion's special legislation in behalf of Canadian policy-holders.

Special efforts are evidently being now made to induce United States holders of about \$40,000,000 of assessment contracts to change to a legal reserve basis. For some years past the company has been trying to persuade its old assessment members to take such a course, but the inducements offered were not practically effective in any very large measure. A more liberal arrangement is now announced, upon the merits of which it is scarcely fair to pass judgment based upon the somewhat meagre details yet to hand. According, however, to the press despatch appearing in leading dailies as to the company, the proposition is that holders of assessment policies should be granted "the amount of legal reserve insurance to which

they would be entitled, figuring the assessment of the last preceding year as premium"—presumably *gross*, and at the attained age of the insured. It will be remembered that the corresponding option granted to Canadian policy-holders was that the new policy should be of "the amount which the said new premium taken as a *net* annual premium, without allowance for expenses, for age of insured at his birthday nearest the date of said license, would purchase according to the Hm. mortality table of the Institute of Actuaries of Great Britain and a rate of interest of  $3\frac{1}{2}$  p.c. per annum."

The Haynes administration of the company is at least making a frank admission of the fact that life insurance assessmentism is unsound in principle and can end in but one way—the disastrous character of which is made clear enough by the recent career of this largest of former assessment companies.

But THE CHRONICLE has no desire to adopt an I-told-you-so attitude towards those who are now undertaking the not easy task of conserving the best interests of the Mutual Reserve's thousands of policy-holders. It hopes instead that President Haynes and his associates may win marked credit for themselves in an honest and successful effort to rehabilitate the company. Progress and outcome will be awaited with interest—but not with undue impatience, for the road can scarcely prove a short or easy one.



#### FIRE CHIEF'S CONVENTION.

The International Association of Fire Engineers will meet at Washington, October 8 to 11. The program includes the following practical topics:

1. Are shingle roofs in cities conflagration hazards?
2. Fire protection for private corporations.
3. Is fire prevention of more importance than fire extinguishment?
4. Fireboat protection.
5. Extinguishing fire in cellars and sub-cellars.

The following subjects have been placed on the program for discussion.

1. Faulty buildings construction. A fruitful cause of the spread of fire and loss of life. The duty of fire chiefs to see that their respective cities have a proper code of building laws, and a rigid enforcement of the same. Proper building construction, together with important devices for the prevention of fire and the manner and method of occupying buildings.

2. Should all school buildings over one story high be equipped with fire escapes, and the pupils trained to the use of them? Which is the best style of fire escape for schools, asylums, tenement houses, etc.? What is the best code of rules for fire drill in schools?

3. How much salvage work should be done by the fire department in cities where there is no regular corps maintained.

4. The advisability of using explosives to check conflagrations.

5. The necessity and advantage of large manufacturing concerns, mercantile establishments and department stores, etc., organizing their employees and having them drilled daily as a fire corps.