LAST YEAR'S HEAVY INCREASE IN POLICY LOANS.

One of the outstanding features of Canadian life insurance in 1913 was the rapid increase in the loans upon policies. In this matter the Canadian companies merely had an experience common to life insurance both in the United States and in other parts of the world, but it would seem probable that owing to the financial stringency the demands upon the Canadian companies were on the whole even more heavy than the demands made elsewhere. In order to show at a glance the extent of the increased demand upon the companies in this connection, THE CHRONICLE has compiled the subjoined statistics which indicate the growth in amount and proportion of the policy loans of seven of the Canadian companies in 1912 and 1913. These seven companies are those which at December 31, 1912, had lent more than a millian dollars in policy loans. The comparison made may not be absolutely accurate since the figures for 1912 given include the premium obligations on policies in force as well as policy loans, while the 1913 figures are those of policy loans only as published in the recently issued balance sheets, except in the case of the Sun Life of Canada, where the information was courteously supplied by the Company in advance of the appearance of the annual statement. However, the figures as they are given are sufficient to indicate the great demands which were made upon the companies for policy advance loans last year, and their remarkable advance in comparison with 1912.

AN INCREASE OF OVER $4.000,000.

At December 31, 1913, the seven companies had policy loans outstanding aggregating $26,785,755, in comparison with $22,656,577 at December 31, 1912, an increase during 1913 of $4,129,178 or 18.2 per cent. This increase is practically $1,700,000 larger than was the increase of 1912 which was $2,454,781 or 12.2 per cent. The increase in the policy loans of the whole of the Canadian life companies in 1912 was $2,919,823 so that the increase of these seven companies policy loans last year exceeds by $1,200,000 the increase of all the companies in 1912. As the details of the tabulation show, all the companies included in it, with one exception, show remarkable increases last year both in the actual and proportionate figures of their policy loans. The one exception is the Great-West, where the net increase in policy loans while actually $50,000 larger in 1913 than in 1912 is proportionately less than in the earlier year. Other figures are notable. The Confederation Life last year increased its policy loans $369,361, or nearly three times the increase of only $135,153 in 1912; the Manufacturers shows a 1913 advance of $470,547 against one of $241,649 in 1912 or nearly double; the Mutual of Canada, one of $515,920 against $250,679 in 1912—more than double.

These figures are significant of the pressure for ready cash among all classes of policyholders. Obligations of all kinds have had to be met—instalments on real estate speculations, additional margins against depreciations in stocks, the means of carrying speculative commitments of many kinds until such time as they can be turned into cash. To many, no doubt, their life policies have proved the best and cheapest method by which they could tide themselves over a "hard-up" period. It is to be hoped that when in due course they are able to place themselves in funds again, they will think of the duty of repaying the loans, which in many, if not in all cases, are of the nature of "borrowings from your widow."

DEVELOPMENT OF POLICY LOANS.

For some years past the policy loans of the Canadian life companies have been on the upward grade, not only increasing by substantial amounts year by year, but enlarging their proportion to both the

COMPARATIVE STATEMENT SHOWING RAPID INCREASE IN POLICY LOANS OF SEVEN CANADIAN LIFE COMPANIES, 1912-1913

(Compiled by The Chronicle.)

COMPANY.	POLICY LOANS. December 31, 1912	POLICY LOANS. December 31, 1913	INCREASE, 1913. Actual.	INCREASE, 1913. Per cent.	INCREASE, 1912. Actual.	INCREASE, 1912. Per cent.
Canada	$6,975,019	$7,901,649	$926,630	13.3	$611,785	9.6
Confederation	2,283,104	2,652,465	369,361	16.2	135,153	6.3
Great-West	1,454,483	1,902,283	447,800	30.8	393,181	37.0
Manufacturers	2,088,457	2,559,004	470,547	22.5	241,649	13.1
Mutual of Canada	2,527,163	3,043,083	515,920	20.4	250,679	11.0
North American	1,672,629	1,980,980	308,351	15.6	169,688	11.3
Sun of Canada	5,655,722	6,746,291	1,090,569	19.3	652,646	13.0
Totals and averages	$22,656,577	$26,785,755	$4,129,178	18.2	$2,454,781	12.2