

SHIPPING LOSSES IN 1908.

It is not difficult to understand why marine insurance accounts made unsatisfactory showings for 1908. There has been issued this month the annual return of Lloyd's Register showing the losses sustained by the world's mercantile marine during 1908, by wrecks, collisions, breaking up, etc. During 1908 the gross reduction in the effective mercantile marine of the world amounted to 800 vessels of 809,292 tons, excluding all vessels of less than 100 tons. Of this total, 382 vessels of 566,487 tons were steamers and 418 of 242,805 tons were sailing vessels. The figures for the previous ten years are as follow:—

Year	—Steamers—		—Sailing Vessels—	
	No.	Tons (Gross)	No.	Tons (Net)
1898.....	322	463,241	819	357,484
1899.....	330	469,621	666	313,887
1900.....	296	386,304	552	290,878
1901.....	268	366,584	538	295,984
1902.....	301	408,363	571	292,327
1903.....	326	479,081	596	300,722
1904.....	344	512,879	463	225,266
1905.....	382	527,978	501	264,376
1906.....	378	509,707	567	307,105
1907.....	356	565,119	512	286,105

Summarizing the report The Economist, of London, states that the percentage of loss among steam vessels was higher in number but lower in tonnage than was the case in 1907, while, as compared with previous averages, the figures show but little variation. The actual figures are:—Number, 1.82 per cent., against 1.76 in 1907, 1.90 in 1903-7, and 1.93 in 1898-1902. Tons, 1.67 per cent., against 1.75 in 1907, 1.79 in 1903-7, and 1.90 in 1898-1907.

CO-INSURANCE CLAUSE IN CANADIAN-ISSUED FIRE POLICIES.

Undoubtedly the 80 per cent. co-insurance clause is one of the most important of all "modern improvements" to fire insurance policies.

Naturally, various legal questions and decisions have come about as a result of the growing inclusion of the co-insurance clause in fire policies. A recent decision of the New York Court of Appeals attaches an importance to the clause that apparently has not hitherto been realized by all underwriters in that State. When the New York standard policy was framed, one of the strongest provisions incorporated was that limiting the power of waiver by either agent or officer, except through a written indorsement. The provision was framed with a view to making it as nearly as possible absolutely binding. In the recent case referred to (details of which are given in the Insurance Law Journal) the policy was of standard form and, of course, contained this provision. It further had attached to it a rider prescribing the conditions of co-insurance when in excess of or under 75 per cent. The insured violated

his warranty regarding other insurance, which was procured without any specific consent being indorsed.

But, according to the court, *the co-insurance clause was itself sufficient consent for such insurance.* By attaching it, the company was held to have assumed that other insurance might be required, and prescribed the terms under which a loss would be settled in case it was procured. According to the court, the company waived any specific indorsement of consent other than this. Commenting upon this case, The Insurance Monitor considers it obvious that such was not the intention of the parties in the use of this clause, but that the object was to protect the interests of the company in case such privileges were granted. But it admits that an examination of the authorities discloses the fact that a number of previous decisions on the same line have been rendered where the question has arisen, the only limitation fixed being that the amount of such other insurance must not be in excess of that allowed by the co-insurance clause itself.

In Canada, the companies generally have considered that every policy with an 80 per cent. clause contains in effect a consent to other insurance without notice. Nevertheless, to obviate all chance of misunderstanding, there has been a growing tendency of late to include a definite permissive clause to the effect that, "Further concurrent insurance is permitted without notice until required."

SURPLUS, REAL AND IMAGINARY.

There is nothing that better illustrates the difference between the typical British "friendly society" and the ordinary American or Canadian "fraternal society" than their respective use and abuse of the word "surplus." By the latter, the word is applied to the balance of assets over liabilities that take little or no account of mortality reserves; by the former, the word is accorded its proper actuarial significance. Thus, the valuation of the Manchester Unity of the Independent Order of Oddfellows' Friendly Society (the largest of the great friendly societies of this class), states that in 2,128 of its lodges, there is a surplus and in 1,658 a deficiency, while in 20 lodges assets and liabilities exactly balance. The aggregate amount of the surpluses (not including surpluses appropriated and written off the sick and funeral funds) is £1,256,791, an increase of £189,989 over the surpluses shown by the previous valuation. The aggregate amount of the deficiencies is £849,166, being £184,290 less than that shown previously. The net surplus is thus £407,625, an increase of £374,279 during the quinquennium. If to this be added the amounts otherwise appropriated, there is a total improvement of £634,847 over the period covered by the valuation. In this