

UNDER-INSURANCE OF PUBLIC BUILDINGS.

The recent loss by fire of St. Dunstan's Cathedral at Charlottetown, P.E.I., brings to light another instance of a valuable ecclesiastical building inadequately insured. Of recent years, there have been several instances of this kind in Canada. St. Dunstan's Cathedral, valued at \$300,000 had only \$90,000 insurance upon it. Fredericton Cathedral, partially destroyed in 1911, was valued at \$250,000, and had only \$55,000 insurance, of which \$10,000 was paid for by a private citizen of St. John, N.B., who saw that the insurance was inadequate. A few years ago, the Cathedral at St. John's, Newfoundland, was destroyed, and because of under-insurance, the citizens of Montreal were canvassed to make good the loss.

These facts suggest that there are many in charge of trust property in Canada who do not realise their duty to see that the property is adequately protected against the financial loss consequent upon fire. The carrying of inadequate insurance on the ground of alleged economy is about as striking an example of "penny wise and pound foolish" policy as could be found. It is true that with institutions of a religious or charitable nature, the financial problem often assumes a very pressing form. But, if all other ways and means failed, it would be easier to raise a special fund to pay the premiums for adequate fire insurance than it would be to raise a special fund to replace the building when it had burned down without being covered adequately by insurance. A fire insurance premiums fund might be something of a novelty, but it would at least have the merit of common sense. A church or institution fire is by no means a rare thing in Canada and it is foolish to neglect a precaution of the most elementary character.

The destruction of a building of this kind involves not merely loss to one individual or to those who form a body corporate but is a loss to the whole community. Business men, we have previously suggested, would be rendering valuable service to their several communities by looking into the question of the insurance upon the trust buildings with which they have connections, and insisting where the insurance is inadequate, that it be raised to a sufficient amount.

The opinion has been growing for many years now that small life offices will find it increasingly difficult and almost impossible to maintain their independence. Huge composite concerns with half-a-dozen strings to their bow can occupy important offices, employ high-salaried men, and generally secure a more commanding position than the comparatively small purely life assurance company. Whilst we do not admit for a moment that small carefully-managed life offices are doomed to failure and extinction, still we are bound to admit that the general tendency is in that direction.—*The Policyholder*, Manchester.

PROOF OF AGE IN LIFE INSURANCE.

The Proposed Legislation in Ontario—Views of Some Prominent Insurance Officials—Strong Opposition.

The amendment to the Ontario Insurance Act regarding proof of age in life insurance, recently introduced into the provincial legislature by Mr. McKeown, is being strenuously opposed by insurance officials, who object, *inter alia*, that the effect of the amendment is to throw the entire burden of proof upon the companies, and that the provision would lead to fraud. The amendment reads as follows:—"When the age of a person is material to a contract of insurance such age shall be inserted in the policy issued at the time of application and in the absence of fraud shall be binding upon all parties to the contract of insurance unless within one year from the date of the said issue, an error in the age so inserted is discovered, when the said policy may be rectified accordingly."

Interesting statements in regard to the effect of this clause have been made to a contemporary by Mr. E. W. Cox, general manager of the Canada Life, Mr. L. Goldman, first vice-president and managing director, North American Life, Mr. George Weggenast, managing director, Mutual Life of Canada and by other prominent officials. Mr. Cox observed that it would appear that as a result of this legislation, the companies would either have to refuse to issue a policy until age had been proven or insert a clause in the policy to the effect that the Company would not accept the second premium if age had not been proven before its due date. "The new proposal," continued Mr. Cox, "would throw the entire burden of proof of age on the companies, and this, I am sure, would be impossible for them to undertake. If the companies were forced to take the applicant's statement as to his date of birth, I am sure there would be many mistakes made by people acting in the best of faith, but from those fraudulently inclined I am sure we would be liable to serious loss."

MR. GOLDMAN'S VIEWS.

In Mr. Goldman's view, such legislation as that proposed would have the effect of encouraging understatement of age in certain cases and the Company would be powerless to control cases of this kind. "Many of the companies have found, especially some of the United States companies," said Mr. Goldman, "that there has been gross misrepresentation in connection with the statement of age given to the agent at the time of the application, and it would be an encouragement to fraud if the proposed legislation were to legitimize such statements and induce such false misrepresentations. The obtaining of evidence of age is found not to delay the payment of claims, as in almost all cases evidence is quite readily furnished. This Company has not met with a case where there has been practically any delay in furnishing evidence of age or a statement which was accepted by the Company."

"The object of the proposed bill is no doubt to bring more to the notice of the policyholder the desirability of having evidence of age submitted to the company as early as possible, and if thought desirable this object could be attained by making it obligatory upon all companies doing business in this province to furnish a printed form to prove age and deliver a copy of this form, with any instructions necessary, with the policy at the time of its delivery to the policyholder."