

# The Chronicle

## Insurance & Finance.

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Scotch School Commissioners suggest that, "A cadet corps might form **Cadet Corps**, the centre of organization of physical drill and exercise for youth with three good results, improvement of physique, promotion of a corporate spirit, and discouragement of loafing," to which might be added, respect for superiors in authority, quick response to the calls of duty, cleanly habits, and loyalty to King and country.

In the September number of the **A Banker on Insurance**, New York "Bankers' Magazine" there is a further instalment of "A Practical Treatise on Banking and Commerce," by Mr. George Hague, ex-general manager of the Merchants Bank of Canada, the subject in this issue being "Manufacturing." He remarks:

"In the matter of insurance there is even a greater necessity for a careful outlook, for the damage to the business of a manufacturer is usually more serious than to a merchant. It is much more easy for a merchant to obtain new premises and a new stock of goods than for a manufacturer to replace his buildings and machinery.

"The fact, that a manufactory is usually well built, or that it has usually good fire protection should never induce a manufacturer to diminish insurance. He gets the benefit of his good appliances in a lower rate. But to diminish the amount of insurance is apt to prove a serious mistake."

In the discussion "On the rates of **A Logical Absurdity**, death loss among total abstainers and others," Mr. Nichols, one of the council of the Actuarial Society, gave a very humorous illustration of the difficulties in the way of scientifically classifying different classes of abstainers and non-abstainers. He said:

"If we could take the members of a company who had successfully passed the medical examination, and divide them into three or four classes, (1) those who had consulted physicians almost continuously,

(2) those who had consulted physicians occasionally, and (3) those who had consulted them not at all, you would find a very distinct separation in the experience of those three classes, and the argument which would be deduced from that experience would probably be, that consulting physicians was injurious to health!"

### Insurance Companies and Campaign Funds.

The contributions made by life insurance companies in the United States to the campaign funds of political parties have been generally condemned. The excuse made for these subscriptions is that, as the interests of the company are likely to be injured by a certain party attaining power it is desirable to assist the opposite party so as to prevent this injury being inflicted. To justify an insurance company subscribing to a political campaign fund requires some argument more reasonable than this plea. It brings the company right into the political arena as a partisan judge of the policy of the several contestants. As the business of an insurance company is derived from members of all political parties it is certainly highly censurable for their funds to be devoted to the service of one party. In the investigation now going on Mr. Perkins, vice-president of the New York Life, which contributed \$50,000 to the Republican Campaign Committee, was asked:

Q.—Is it your view, Mr. Perkins, that contributions by insurance companies to political campaign funds should be prohibited?

A.—I most certainly do think so. I think it is a very bad practice that has grown up, and I think also that you gentlemen could do nothing better—this is among the many things that have occurred to me—than to enact a law which will compel a man who is running for office to schedule all that he pays out.

The right course for insurance companies, banks and all financial institutions of a public nature, which handle the funds of persons of all parties is to ignore politics and attend strictly and exclusively to their own business.