

The Commercial

WINNIPEG, MARCH 11, 1895.

LIFE INSURANCE.

In our issue of February 25th, we referred to the first essential in life insurance as security. In this article we call attention to the danger of trusting to associations based upon the ridiculous assertion that the mortality among insured lives does not and will not exceed 18 to 14 in 1000, whereas the very statistics they use prove conclusively that the death rate is 23 in 1000—whether the misstatement is through gross ignorance or dishonesty makes little difference to those deceived, as the effect is the same.

Upon reference to the "Proceedings of the 19th Annual Session of the Assessment Life Associations" held in Boston September, 1891, we find the leading authority in America on assessment assurance, L. G. Fouse, reported as saying:—

"There is a point in the natural premium insurance system, that with the increased burden of the insured is an increased stimulation to select against the company. This is common sense: not only common sense, but already the experience of our companies. We are collecting data, and imperfect as it is upon this point, it is sufficient to show us, as I intimated before, a curve which is diverging from the mortality tables, showing that the selection of which I speak is already asserting itself in the older companies, and therefore it behoves the members of this convention to consider the proposition laid down in this paper, and try to cure what may become to them a great evil."

On a previous occasion he said:

"So far as the mortality element is concerned, I say to you frankly, we should adopt one of the standard tables. We (assessment companies), have no immunity from mortality, and the gain through careful selection is only temporary; its effect disappears entirely about the seventh or eighth year. Those companies which have boasted of a phenomenally low death rate they have had during the first years of their existence, will before a great while be confronted with the vengeance of the law of average. If the death rate has been phenomenally low for a term of years, it simply means that it will be phenomenally high for (approximately) a corresponding term of years. To be on the safe side, a company should always collect the tabular rate even if the death rate should be 50 per cent. below it."

Geo. D. Eldridge, now actuary and 3rd vice-president of the Mutual Reserve Fund Life Association at one of these conventions said:—

"Is there any reason for us to suppose that we can say we are able to furnish life insurance, as life insurance, any cheaper than the experience from old-line standard tables indicates that pure life insurance can be furnished? I see no reason for expecting that anything of the kind will occur. I see no reason for expecting that (as far as pure life insurance is concerned, and for those who have been in the companies 10 years or more), we (assessment companies), can do any better than the experience of the old-line companies shows can be done; and that is what I am getting at. It has been held out by certain parties that we can furnish life insurance cheaper, and this assumption has been based upon the

computations and calculations which have been made upon recently selected lives. Therefore, if I was going to answer this question, I would answer it that our experience shows that the premium rates for pure life insurance, based upon the calculations of mortality statistics of insurance companies, are practically the pure rates upon which we can furnish life insurance."

In the face of the above admissions, the bombastic claim of some of the assessment societies, no yet fifteen years old, in their advertising literature that they insure at about half the rates of the old line or level premium companies, should not be taken seriously by intending insurers, and it seems to us that it would not be out of the way for the government to make them withdraw their dishonest or ignorant claims, as so many otherwise careful people even among our educated business and professional men—accept their strong representations, and are ashamed afterwards to admit how cruelly they are deceived.

In a further issue we will show the practical work of the assessment companies by a comparison of the data referred to by Mr. Frouse, showing how the selection against the assessment or natural premium companies increases the cost of insurance in those associations.

SUPPORT HOME MANUFACTURES.

SOME people who talk loudly about the "loyal" policy of protecting home industries, are disloyal enough to give the preference to imported goods when it comes to the personal matter of purchasing their own requirements. If some of the loyalty which finds vent in protective tariffs were exercised in following the principle of selecting home-manufactured goods in making purchases, it would be better in the end for some of our industries. The Commercial has always been loyal enough to advocate the cause of home-manufactures, with the purchasing public, and we do not object to give a little free advertising in the interest of home goods.

A good many persons seem to have imbibed the belief that to get a first-class article they must purchase imported wares or commodities. This idea is carried to the extent of a hobby with many. We have seen people call for imported lines of goods when they could get immeasurably better values in Canadian goods of a similar class. Much of the popular preference for imported goods in certain branches of trade is founded on an entirely wrong belief. In point of actual value for the money, the domestic manufactures as a rule are superior to the imported goods.

We heard a Winnipeg citizen state recently that he would only have one brand of ham or bacon in his house, mentioning a well-known Chicago brand of these goods. Now, we have manufactured right here in Winnipeg hams and bacon which it would be difficult to surpass in quality anywhere, and which will not yield honors to even some of the crack imported stuff. The Red Cross brand of hams and bacon, packed by J. Y. Griffin & Co., Winnipeg, will certainly compare with the finest goods put up anywhere.

This is a line of manufacture which Manitoba can compete in, and when the supply of hogs increases, as it will within a few years, we will find that Manitoba bacon will hold its own in British and other export markets, with all comers. In the meantime, if those at home who entertain this foolish preference for imported goods, will give the home make a fair trial, we think they will realize the error of their past way.

We have only mentioned one line of goods, but there are other manufactures prepared right here in Winnipeg which are fully equal to the imported in quality, though sold at lower prices in most cases than is demanded for the imported wares or commodities. We might mention the Royal Crown Soap company's goods, in laundry and toilet soaps, which rank high when compared with the finest foreign manufactures in their class. In ales and beers we have Drowry's justly celebrated goods. In biscuits and confectionery, cigars, and other lines of manufactures, we have local concerns which are ably competing in quality and price with all comers.

In some special cases it is necessary to purchase imported goods to meet requirements, but as a general rule we believe Canadian goods are better value than imported wares. The heavy duty on imported goods increase the cost of the latter in many cases to a figure much beyond the regular price of domestic wares. In some classes of goods which are manufactured to good advantage at home, there are special lines of imported goods which may suit the tastes of particular persons, but in point of value for the money in the staple lines, there is usually quite a difference in favor of the home makes.

THE EXHIBITION ASSOCIATION.

THE debate in the Manitoba legislature indicated that the majority of the country members are quite favorably disposed toward the Winnipeg Industrial exhibition. Mr. Rutherford of Portage la Prairie, who is one of the most level headed members of the legislature, and one who from his profession as a veterinary surgeon is well qualified to speak on this particular subject, declared that the exhibition had been the means of greatly improving the quality of the herds and flocks of Manitoba. The government would evidently have been supported by the legislature in naming a much larger sum in the grant to the exhibition. The statement has been advocated that it would be a good plan to change the name to the "Manitoba Industrial," or the "Provincial Industrial," instead of the Winnipeg Industrial. If it would extend the usefulness of the exhibition, we see no strong objection to the change. Still, as the exhibition has drawn its principal support from Winnipeg, the city seems entitled to the honor of having its name associated with that of the exhibition. If the province is prepared to put up a reasonable share of the expense of carrying on the association, there would then be good ground for demanding a change in the name.

While referring to the exhibition it is very pleasing to note that the Canadian Pacific railway company has decided to extend the