PRESENT CONDITION OF MONOPOLISTIC STATE FUNDS.

The results of a recent investigation by a Kentucky commission, on which labour, manufacturing, shipping and mining interests were represented as well as the State Government, into the subject of monopolistic State funds for the administration of workmen's compensation insurance, include information of wide interest. In regard to the States of Washington and West Virginia, it is said that these funds ran for a time in an apparently satisfactory manner, but when accumulating deferred liabilities combined with current losses began to wipe out their reserves difficulties arose. In Washington, the exceedingly low compensation rate of 40 per cent. of weekly earnings, together with the adoption of a very rigid policy of giving the fund the benefit of a doubt in every case where the amount due an injured employe was not clear under the provisions of the law, have kept the original system going thus far, but it is very difficult to obtain any reliable information as to its present financial condition, as no official data seem to be given out.

In West Virginia, where some heavy catastrophe losses were sustained, radical increases in fund rates quickly became imperative and the public demand for a change became so great that the law was recently amended so as to permit the option of insuring in liability companies.

OTHER EXPERIENCES.

In Ohio, by reason of more adequate rates in proportion to the extent of coverage, and an exceedingly large and diversified aggregate pay roll which could more readily absorb any individual catastrophe, together with an unlimited supply of money from the State Treasury for the use of the department, conditions are apparently better. It is nevertheless true, says the Commission, that, for some reason, a sufficiently great demand has arisen for the permission to insure privately that the law has been construed accordingly, and a considerable number of employers have since left the fund and insured in liability companies. A peculiar feature of the Ohio plan, which may account in part for this result, is that complete insurance is not furnished by the fund. It is provided that, for serious injury such as death or total disability the employer is not protected by his premium, but must pay in addition a large penalty, running as high as $1,500 in some cases. While this will undoubtedly enable the quotation of lower and more attractive initial rates, it does not appear to be in keeping with the fundamental principle of insurance which contemplates a distribution of the entire losses experienced over the entire class insured.

The reserves maintained by the Ohio fund appear inadequate. In order to be able to quote very low and attractive initial rates, the temptation afforded the management of a State fund or other insurance not subjected to the strict regulation under which private companies have to operate is very strong toward underestimating them. In this connection it is significant to note that the Ohio fund's surplus, which was stated in their report of November 15, 1914, as $433,126.30 fell off no less than $148,-920.24 during the next six months' period, being only $284,206.06 as of May 15, 1915.

In California, where the fund is required to be self-supporting and comes nearer discharging all the functions and furnishing the service rendered by a private insurer, the State fund rates are very slightly lower than those of their private competitors.

PERSONALS.

His Grace the Duke of Devonshire, who received the Order of the Garter at the New Year, is a director of the Alliance Assurance Company.

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Lieut.-Col. J. G. Rattray of the 10th (Winnipeg) Battalion, who was recently awarded the D.S.O., was for some time Canada Life Loan Inspector in Manitoba.

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Sir Edmund Walker has been elected to the Board of Directors of the Equitable Life Assurance Society of New York, in succession to the late Sir William Van Horne.

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Mr. John F. Ellis, formerly prominently connected with the Manufacturers' Life, and for some time its managing director, has been elected a director of the Crown Life.

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Mr. Frederick Richardson, late assistant manager at the London office of the General of Perth, has been appointed United States manager in succession to Mr. Claude Norrie-Miller, formerly of Toronto, resigned.

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To take charge of the scheme for the mobilisation of American securities, the British Government has appointed a well-known London insurance official, Mr. G. E. May, F.I.A., secretary of the Prudential Assurance Company. Mr. May is highly regarded by his confreres as an investment authority.

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The late Mr. H. Stikeman, formerly general manager of the Bank of British North America, whose death was announced last week, was in his youth a pupil of the famous "Thring of Uppingham." Another resident of Montreal who was at Uppingham in Dr. Thring's time is Mr. Harold Hampson, of Messrs. Robert Hampson & Son, Ltd.

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Mr. Ludovic MacLellan Mann, well known in insurance circles as Glasgow manager of the Western Assurance Company of Toronto, has written a book entitled "Archaic Sculpturings," which Messrs. Wm. Hodge & Co., of Edinburgh and London, have just published. It deals for the most part with ancient carvings on rocks found in Scotland, but also contains, in the words of its subtitle, "Notes on Art, Philosophy and Religion in Britain, 2000 B.C. to 900 A.D." These ancient carvings have puzzled antiquaries, and Mr. Mann believes he has at last discovered their purpose.—Insurance Record.

Only one thing is now needed to command victory, namely, to provide all the money needed to support the vast armies of new men and pay for the vast quantities of arms and munitions being manufactured in all parts of the world.—*English Bankers' Manifesto.*