

LI OFFICES AND THE WAR.

Ever since Lord Paul Methuen wrote his much-discussed letter to the London "Times," calling attention to the extra premium of five per cent. on his life assurance during the campaign in South Africa, we have not hesitated to express the opinion that the life insurance companies were fully justified in charging the extra premiums. Since the arrival of Lord Methuen at the seat of war, the mortality statements of the campaign have shown that the assumption of war-risks has actually cost the companies far in excess of their early calculations. In a single battle, that of Belmont, 12 1-2 per cent. of the officers engaged were hit, and there has been enough evidence forthcoming since, to prove that the Boer riflemen have raised the officers' war risk much above the five per cent. charged by many of the companies. The practical business men who control the life assurance companies are now fully alive to the wisdom of charging an extra premium for this extra hazardous risk, and while the spirit of competition combined with an outburst of pardonable patriotism led at first to the acceptance by several companies of the war-risk without extra charge, their experience has not been such as to make the business desirable or popular.

We have followed closely the many expressions of opinion on this subject published in the general and insurance press in Great Britain, and it is quite evident therefrom that the critics of the life companies making this extra charge for active service in South Africa have been led into forming utterly false impressions. The "Insurance Observer" in reviewing the situation remarks:—

"The impossibility of inducing life office managements to adopt some common working basis even on the most trivial question has long been recognized, and it was not to be expected therefore that in the matter of war risks we should find them more united. In this particular instance the divergencies have, however, been more defined than is usually the case, and it is impossible to shut our eyes to the fact that the public mind has been greatly irritated in consequence. There has been no approach to unanimity on the part of the various boards of directors. The companies included in Life Offices Association are understood to be working together, but from the correspondence that has appeared in the general Press it is evident that no iron-clad agreement has been signed by them. If such document exists, it is either not being acted up to according to its spirit as well as its letter, or it was so drawn as to permit of wide interpretation in individual cases. As for the other and more numerous life offices—British, Colonial and American—it has been a case with them of "go-as-you-please." Some boards of directors have granted free permits to their volunteer policy-holders, and have been most liberal in their terms to military and naval officers whose policies, unfortunately, did not cover war risks. On the other extreme, we have seen it stated that old policy-holders have been called upon to pay extra premiums representing £7 per cent. on the amount assured, while as much as £10 per cent. has been demanded from new assurers. We have taken extreme cases, we allow; in practice, the general rule with the offices which

charge "extras," has been to exact a £5 or £7 penalty respectively, but even in individual offices there seems to have been no very hard-and-fast understanding. It can scarcely be said that the spectacle is edifying, or likely to advance the cause of British life assurance. We are afraid, indeed, that many patrons of our old societies have taken umbrage at their action over this question, comparing it with the excessive, and perhaps not altogether wise, liberality displayed by our enterprising new world competitors, and either wholly or in part by several English companies outside the association. Events will prove whether this surmise be correct or not. Of course, it is our earnest hope that the present irritation will prove only skin-deep, and that before many months have elapsed the subject of war risks will have been entirely forgotten. One cannot be too sure on the point, all the same. Where the pocket is concerned, memories are long. Whatever may be the true facts in regard to each case, it cannot be denied that many policy-holders consider that they have been unjustly treated, or that the public at large has sided with their complaints. We do not for one moment imagine that in one case in fifty, or in even one case in a hundred, any real injustice has been done."

It is pleasing to us to read this plain statement of the case from the many points of view presenting themselves to the writer on such subjects. The best suggestion we have yet seen is that made in the same article from which we have quoted:—

"Each office as we have previously explained, must examine this war-risk problem from the standpoint of its own position with respect to the Services. If only a few patrons are likely to see actual fighting, or the more considerable number who may be assured for small sums only, no great risk can be run by granting a free license to all. On the other hand, there may be numerous policies on the books for very heavy sums, making it quite impossible to accept the contingency which would be involved by the adoption of that course."

Early calculations of the war-risks to our own brave lads have proved to be very wide of the mark, and much as we may feel disposed to commend the generosity of the companies in dealing with the soldiers of the Queen, we must not forget that boards of directors in looking after the interests of their other policy-holders are only performing an undoubted duty.

THE NEW CURRENCY BILL OF THE UNITED STATES.

Although terminating with a harmless sop to the bi-metallists in its declaration in favor of international bi-metallism, the new Currency Bill of the United States is a slap in the face to the silverites. Its central point is the adoption of the gold standard; in its very first section it enacts that the dollar, consisting of 25 8-10 grains of gold, nine-tenths fine shall be the standard unit of value. It solves the problem which vexed former Secretaries of the Treasury by providing that all forms of money issued or coined by the United States shall be maintained on a parity with this standard. To those who have followed the coinage controversy in the United States during the past ten years, these provisions are significant. The adoption of the