

An Instance of Fraternal Insurance. There has lately been issued by the insurance departments of Missouri and North Carolina, a report of an examination of the Supreme Lodge, Knights of Honor, a St. Louis, Mo., organization. It is an informing document, which should provide considerable powder-and-shot for agents of the regular companies operating in the localities covered by the organization.

The death rate experienced by the Society exceeds the death rates by the National Fraternal Congress table for all age groups, and exceeds the death rates by the American experience table except for three age groups. The average death rate for the past five years has been over 40 in the thousand. Had the mortality been according to the American Experience Table, the average death rate for the same period would have been 28 in the thousand; or 24 in the thousand according to the National Fraternal Congress Table of Mortality. "The experience of this Society," observe the examiners, "for the past fifteen years is such as every organization may expect to experience which delays too long an adequate readjustment. A schedule of rates that is adequate for new entrants may prove insufficient as a plan of readjustment. Every increase in rates has caused dissatisfaction and lapsation of members. The excessive lapsation has affected the mortality most unfavorably as disclosed by the foregoing exhibits. The rates adopted for the higher ages in the extension of the table in 1909 from age 65 to age 80 are approximately 15 per cent. higher than rates according to the American Experience Table and four per cent. These rates are proving inadequate for the payment of the current claims and the accumulation of the necessary reserve to maintain these rates level for life. The actual accumulation to the credit of members for the period since the readjustment of 1909 in the age group 70-80 has been less than one-half the required reserve. Under the present plan of operation the rate of contribution at the lower ages of the new entrant may be sufficient, with proper medical selection and inspection of risks, to make the promise made to him reasonably certain of fulfillment. But this cannot be assured him unless the proper reserve is maintained. The rates of the present members at all except the lower ages are manifestly inadequate to assure them that their rates will not be increased. There is no separation of the funds of members paying adequate rates from the funds of those whose rates are clearly inadequate. The contributions of all members go into a common fund from which is paid the death claims. Under this plan the accumulation that equitably belongs to the members paying adequate rates is being used for the liquidation of past accumulated claims and to make good the deficiency in contributions of other members."

Affairs in London

(Exclusive Correspondence of The Chronicle.)

The British Government's Insurance Bill—Imperial Conference and the "All-Red Route"—Trustee Investments and Municipal Stocks—Sun Insurance Office's Good Year—Mr. Williams Taylor's Address on Canadian Banking.

The chief topic in political, commercial and financial circles is, of course, the new Insurance Bill formulated by the Chancellor of the Exchequer. The whole question is naturally bristling with difficulties and points over which hot debates will doubtless take place. That it will seriously affect the employer of labour, no one can doubt. Although every one interested in the abatement of social evils and the troubles of unemployment will welcome the introduction of legislation to deal with them, there is some question as to whether it is quite fair to make the employer bear so large a burden. As for the middle-class man—the man, for example, who is married, with three or four children at school, and is earning about £250 to

£300 per annum—he does not share in the same benefits as the bachelor with £150 per annum. Many points in the Bill will require adjustment. Mr. Lloyd George is busily engaged in giving interviews to reporters and his explanations would fill one entire issue of THE CHRONICLE, but they still leave many points of doubtful policy untouched.

THE "ALL-RED ROUTE"

It is understood that the question of the "All-Red Route" round the Empire will come before the Imperial Conference, being probably introduced by Sir Joseph Ward, Prime Minister of New Zealand. In the circumstances, the committee favourable to the utilisation of the route via Blacksod Bay, are again bestirring themselves. The committee includes many members of Parliament on both sides, several of whom have been enrolled quite lately. It is proposed to provide an express service of 25-knot steamers between Blacksod Bay and Halifax, the voyage being performed in three and a half days, and passengers for this service being conveyed between England and Ireland by steam ferries via Holyhead and Dublin or Stranraer and Larne. Sir Thomas Troubridge, who is chairman of the company which is to provide the service, and Mr. A. G. Fraser, engineer, visited the House of Commons on Wednesday, and interviewed many members on the subject.

TRUSTEE INVESTMENTS AND MUNICIPAL STOCKS.

A bill has been introduced in the House of Commons to extend the scope of the Trustees' Investments Act, 1893, by authorising trustees to invest in the stock of any municipal borough whether or not it may have a population of 50,000, and in any security authorised by a county council. At present, trustees are only allowed to invest in municipal stocks of towns with over 50,000 inhabitants and in county council stocks issued under Act of Parliament or Provisional order. In 1898 the law relating to trustees in Scotland was amended on the lines of Mr. Harwood Banner's bill. It is also proposed that municipalities should be allowed to invest their redemption funds in "real securities" (land and buildings). I mention this matter because any legislation tending to widen the powers of trustees must have an important effect upon Canadian Government and other Colonial Government stocks in which trust funds are now invested.

SUN INSURANCE OFFICE.

The Sun Insurance Office has celebrated its bicentenary by the issue of a report which surpasses all previous records. The fire premiums for last year amounted to £1,471,106, and the losses to £654,711, being at the rate of 44½ per cent. on the premiums received. The expenses of management were at the rate of 36.81 per cent. After reserving as unearned 40 per cent. of the premiums to cover liabilities under current policies, there is a credit balance of £354,491, which is transferred to the profit and loss account. After paying the dividend, there is a balance unappropriated of £462,105, and the interesting announcement is made that it is proposed to apply £120,000 of this balance to increase by 10s per share, the amount paid up on the 240,000 shares issued, making them £1 per share paid. The total funds of the office now amount to over three millions sterling.