

SICKNESS INSURANCE EXPERIENCE.

A survey of the sickness insurance business transacted by the Dominion-licensed companies and fraternal orders in Canada during the last seven years shows that, between 1910 and 1913, the annual premium income received from this business increased very rapidly. The income for 1910 was \$603,274; for 1911, \$880,780; for 1912, \$1,027,374; and for 1913, \$1,135,430. The last proved to be a record figure, and since 1913 the business has shown considerable shrinkage. In 1914 premiums were \$1,133,413, but in 1915 they dropped decisively to \$1,084,798, recovering partly last year to \$1,109,801. The decrease in this business during recent years is probably attributable in part to a discontinuance of policies by business men, who in a time of necessary retrenchment, treated their sickness insurance as a luxury, and in part is very likely a direct result of the war. Normally, there are a good many young fellows who, possibly, cannot be persuaded into taking life insurance, but quite appreciate the advantages of a sickness insurance policy, and this source of business has been entirely cut off by the war. In part, also, the decrease in sickness insurance only may be accounted for by the growth in favor of the combined accident and sickness policy.

As regards claims, these have shown slight fluctuations during the last five years, as is revealed in the following figures:—1912, \$713,729; 1913, \$722,411; 1914, \$690,449; 1915, \$680,358; 1916, \$719,195. The increase in premiums last year over 1915 of \$25,000 was more than absorbed in claims which called for nearly \$39,000 more, giving a ratio of claims to premiums of 64.8 per cent. against 62.9 per cent. in 1915.

In addition to sickness insurance, some of the companies and fraternal orders issue combined accident and sickness policies, which, as noted above, appear to be increasingly popular. Premium income on these last year was \$585,775 against \$402,753 in 1915, and claims, \$309,878 against \$206,054, a proportion of 52.9 per cent. against 51.2 per cent. Details of this combined accident and sickness business will be found in our issue of May 25th last.

The subjoined tables show in detail the premiums and claims experience of sickness insurance business last year:—

	Premiums Received	Claims Incurred	Premiums to Claims
*A. O. F.	\$135,786	\$93,580	68.9
Canada Accident	12,583	7,793	61.9
Cath. Mut. Benefit	7,970	7,724	96.9
Dom. of Can. G'tee & Ace.	101,874	49,695	48.8
Dominion-Gresham	15,022	7,457	49.6
Employers' Liability	47,977	25,561	53.3
Fidelity & Casualty	66,862	38,716	57.9
Gen'l Acc. of Canada	28,584	14,383	50.3
Globe Indemnity	131,025	90,374	68.9
Guardian Acc. & Gu'tee ..	7,092	3,301	46.5
Imp'l Gu'tee & Ace.	51,207	29,200	57.0
*I. O. F.	212,307	188,794	88.9
Law Union & Rock	5,867	2,653	45.2
London Gu'tee & Ace.	24,979	14,660	57.9
Lon. & Lane. Gu'tee & Ace	40,631	28,758	70.8
Maryland Casualty	35,012	21,245	60.7
Mchts. & Emp. Gu'tee & Ace.	265	197	74.3
Loyal Order of Moose	3,021	1,404	46.4
North Amer. Ace.	11,340	4,020	35.5
Norwich Union	11,157	6,836	61.2
Ocean Acc. & Gu'tee	62,087	33,671	54.2
Railway Passengers	23,805	13,227	55.6

Royal Exchange	\$6,534	\$2,110	32.3
*Royal Guardians	2,460	1,630	66.3
Travelers of Hartford	48,621	22,406	46.4
U. S. Fid. & Guaranty	6,059	3,022	49.9
*Woodmen of the World ..	7,146	5,464	76.5
Yorkshire	2,888	1,314	45.5

\$1,109,801 \$719,195 64.8

The same for 1915

*Including funeral benefits.

THE INNOCENT DIRECTOR CAN PROTEST.

In the committee stage of the Insurance Bill at Ottawa last week, discussion took place on the subject of directors and unauthorised investments, and the manner in which an individual director of an insurance company, outvoted by his fellow directors in regard to investments in unauthorised securities, could make an effective protest. In order to put a stop to the practise of insurance directors ignoring the provisions of the Insurance Act, and investing in unauthorised securities, the new Bill makes the liquidation of such securities compulsory within 60 days, on request of the Superintendent of Insurance, and the directors jointly and severally liable to the company for the amount of any deficiency arising out of this forced liquidation. The Banking and Commerce Committee, when considering the Bill, added a proviso that a director who is over-ruled in regard to a matter of unauthorised investments, and who publishes his protest in the public press, shall not be held jointly liable with the directors who favour the investment. In the House, this requirement of publication of a protest in the public press was changed to a requirement of protest by registered letter to the Superintendent of Insurance.

Presumably, the effect of this will be that a director, who is over-ruled by colleagues intent on breaking the law in regard to insurance companies' investments, will immediately send his protest to the Superintendent of Insurance, in order to clear himself of the joint special liability for any loss incurred. The Superintendent, thus informed, will be able to act immediately. The effect of this provision should be, therefore, that directors who are unfaithful to their trust in this way will be brought to book promptly. Where there is no dissenting director, the time of retribution may be deferred, but the Ottawa Insurance Department now keeps its eyes open a good deal more widely than was formerly the case, and it is doubtful whether directors would be able to conceal dereliction of duty of this kind for more than a few months. Fortunately, the action provided for is likely to be very rarely put in force.

GRESHAM LIFE ASSURANCE SOCIETY.

This Society passed a very successful year in 1916 and recently presented a most satisfactory report to the policyholders, demonstrating once more that even so great a calamity as the present war is insufficient to disturb the equilibrium of a strong and well established life insurance company. Mortality from all causes is within the expectation.

The Society is arranging to put lower rates of premium into force in Canada and is also making an exceptionally liberal arrangement for policyholders who engage in Active Military Service overseas.

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