

is one I think that should not be allowed to creep in. It is difficult to see any legitimate reason for its insertion. When an assured insures property of a certain description he should be prepared in good faith to notify any change in that description of which he is aware, and allow the insuring company there and then to be the judge as to hazard. Juries are bad judges as to "changes material to the risk" and it was never the intention of the law to take from the underwriter the right to be his own judge as to hazards, and it is only to protect an assured observing good faith and overlooking to notify a change that the law says the insuring company must pay, provided the alteration has not prejudiced the company by increasing the hazard. It is only in such cases that the law undertakes to be judge of relative fire hazards.

The "description" of any risk does not amount to a warranty that that description will be maintained during the currency of the policy (except of course as regards location of the property). Tariff rules also require the wording to strictly conform to the occupancy and description of risk given in the tariff.

(To be continued.)

WORLD'S INSURANCE CONGRESS.

The programme of this event, to be held at San Francisco from October 4th to 16th is to hand. We have no space to give it *in extenso* as requested, and frankly a good deal of it appears to be of a not very practical character. In any case, the title of World's Insurance Congress appears to be a misnomer as every speaker yet announced is from the United States and there are no indications that European insurance interests, which count for a good deal in the business on this side of the Atlantic have any representation at all. The addresses will cover the following subjects *inter alia*—

1. Service performed by the various classes of insurance companies.
2. Aims of the various insurance associations.
3. Problems of State supervision, taxation, etc.
4. Promotion of health, fire and accident prevention work.

PEACE AND PLENTY.

One day of the world's insurance congress at San Francisco next month is to be called "Peace Day." "Underwriters of world," a programme tells us, "should form compact nucleus of organisation to promote and maintain security and stability in international affairs." A tall order that, worse than the job of rating a special hazard. The committee includes the illustrious names of Mr. Andrew Carnegie, Mr. William Jennings Bryan, Mr. Oscar L. Straus, Professor E. B. Krehbiel and the editor of the *Toronto Globe*. If they all attend there will be peace and plenty—of talk.

A New York contemporary tells of a new summer hotel, supposed to be constructed on fireproof principles, which was visited by a party of insurance agents recently. They discovered that in view of a forthcoming barn dance the ball room floor had been covered with about two tons of hay which was also piled in the corners covering the electric wiring!

SAVINGS BANK INSURANCE A FAILURE.

In 1907, the Massachusetts legislature passed an Act authorising savings banks to establish, under certain prescribed conditions, a subsidized department through which they could transact life insurance business. Only four banks have ever taken advantage of this legislation—the Boston savings banks uniformly keeping clear of the business. A savings bank at Worcester, anxious to see how the scheme was getting on and if it was worth taking up, detailed its assistant treasurer, Mr. Ernest Russell, to visit the various centres where the business was alleged to flourish and carefully and impartially investigate conditions. Mr. Russell has now made his report and his conclusions are not flattering to the scheme.

Perhaps the most important conclusions in Mr. Russell's report are that the business secured by the savings banks has been obtained through paid agents or "instructors" when it was widely proclaimed that the services of the paid agent were to be eliminated—the cost of such business thus incurred being contributed from outside sources and therefore not computed in acquisition expenses; that the great bulk of the business secured is not upon the lives of low-wage earners, but upon foremen and others in salaried positions to whose manifest interest it is to "sympathize" with the movement; the awkward competitive phase of dividend payments by the various banks, the depressive effect on the part of at least two of the four banks in the percentage of gain of increase in deposits since they established an insurance annex, and his conclusion that the financial assistance contributed by the State alone, apart from those made by members of the league to defray "instructors" and other expenses, is largely in excess of the dividends paid to policyholders, and the surplus now held in the savings banks. Mr. Russell declares that the cost of savings bank life insurance, "so far from being low, may well be considered high" as compared with that of the regular companies.

This savings bank insurance, it may be added, is an invention of the famous Louis D. Brandeis and his followers. They have actually paid out of their own pockets large sums to defray the cost of "instructors" referred to above, and seem to have managed to waste them.

CHANGES IN BRITISH LIFE PREMIUM TABLES.

The 4½ per cent. War Loan, in the opinion of the Insurance Observer, is likely to occasion many important changes in British life office premium tables. As in the case of annuities, the certainty of being able to earn a high rate of interest on accumulating funds will probably lead to a general revision of the rates charged for non-participating assurance; indeed one company of quite exceptional importance has already given the public the benefit of the higher rates of interest which are now obtainable. The Observer recommends to the many persons to whom the amount of insurance protection granted for a stated yearly premium is of more consequence than the question of future bonuses perusal of a new leaflet by the Royal Insurance Company, a comparison of the rates quoted by the Royal with those now generally in force in Great Britain, showing that a "cut" of some importance has been made.