

## LIFE INSURANCE.

The insurance of children has always been a vexed question. This is one of the features of industrial insurance which has frequently been condemned in some quarters. Mr. L. K. File, B.A., A.L.A., has more to say in the London "Review" on the past history of life insurance. This gentleman's interesting essay deals so comprehensively with life assurance that one feels justified in quoting largely from it. "In most countries," he says, "where this system is in operation a limit is placed by law on the amounts that may be paid on the death of children. The limit set is the amount considered necessary for burial expenses, and increases with the age until the age of ten is reached, so that there does not seem to be any inducement for an abuse of the principle. In fact, in Great Britain, a few years ago, when, owing to an agitation for suppression of child insurance, an investigation was ordered by Parliament, the fact was brought out that the death rate among children insured in industrial companies compared very favorably with both the English Life Table, No. 3, and the Carlisle Table. This would seem to show that the evils, if any, arising from the system were not noticeable.

"As regards the policy contract," he adds, "we may say that great liberality prevails. In one leading company every industrial policy has a paid-up value after having been in force three years, and a cash surrender value after twenty years' premiums have been paid. In addition to this the policy is entitled to cash dividends after fifteen years. It is incontestable after two years, and contains no burdensome or needless restrictions, not being voided by suicide even. Further, the policy is not cancelled until premiums are four weeks in arrears. Contrary to popular belief, lapses are not a source of profit with industrial companies any more than with the ordinary companies, as the initial expense is usually comparatively heavy. Most industrial companies write also ordinary life assurance, so that oftentimes their industrial policyholders become in later years holders of ordinary policies. In this way the benefits arising from insurance are greatly extended."

Mr. File then goes on to tell us something about another system which was unknown in Europe until about forty years ago. The early forms of insurance gradually gave way to the more scientific and sound methods in use to-day. "The great friendly societies of Great Britain," he continues, "long ago saw that the assessment idea was unsound, and took steps to place their finances on a sound and lasting basis, so that to-day they are, as a rule, charging adequate premium rates. An observer might have considered that the people of America would have profited by the experience of the English friendly societies, and have refrained from assisting in the establishment or maintenance of institutions based on unscientific principles. Nevertheless, this warning has been unheeded, so that fraternal societies on this continent are still engaged in working out their own salvation. It is just possible that assessmentism would never have obtained a foothold had the ordinary life companies satisfied the public demand for protection, pure and simple, at the lowest cost. At the time this system took its rise, the tontine idea was in full possession of the ordinary insurance companies. Under this system the assured lost everything he had contributed if he failed to keep his policy in force until the end of the tontine period.

"The investment idea was emphasized to such an extent that the protection idea became well nigh lost sight of, so that there was practically an abandonment of the insurance field by the legal reserve companies. Moreover, the failure of a great number of ordinary companies about this time produced a favorable opportunity for the growth of the idea. Men wanted protection, and wanted it as cheaply as possible. The impression spread that the ordinary companies were charging excessive rates. They argued that the death rate per 1,000 was 8, 9 or 10, and would vary very little in future; consequently, the losses could be paid out of current premiums, leaving an amount sufficient for liberal expenses and a margin for surplus. Hence, they considered a reserve unnecessary, and, therefore, held that the rates should be lower."

SASKATCHEWAN SCHOOL DISTRICTS  
BORROWING MONEY.

Leavenworth, No. 1521.—\$1,000. John Markling, Anaheim.  
Oak Hill, No. 1,208.—\$800. Mike Zinzak, Otthan.  
Belle Lake, No. 1532.—\$1,000. Geo. McLean, Curzon.  
Poniatowski, No. 1552.—\$1,600. Anton Baranowski, Cedoux.  
Weir Hill, No. 1638.—\$1,250. A. M. Sands, Weir Hill.  
Bruno, No. 1587.—\$700. A. J. Schwingamer, Bruno.

## FIRE INSURANCE.

The Ottawa Fire Insurance Company have discontinued their general agency system under Messrs Carson Bros. for the Province of Quebec, and have opened a branch office in the Liverpool and London and Globe Building, Montreal, where all business for Montreal city and island will be transacted. The remaining agencies in the Province will report directly to the head office at Ottawa.

An Ontario fire insurance company, the Standard Mutual of Markham, has ventured upon doing a reinsurance business in the United States. Attorneys have been appointed to represent them in that country. At the end of 1906 the Standard had \$11,820 stock paid up, and premium note capital unassessed \$42,036.

The year 1906, so far as fire losses are concerned, was a disastrous one for Vancouver. For the first time in the history of the city its losses from fire will exceed a quarter of a million dollars. Last year they were a trifle more than \$145,000. In 1898 they were \$185,000, and since then have not exceeded \$100,000, until the present year.

Up to the end of November, 1906, mill losses have contributed upward of \$200,000 of the total of \$255,526. The efficiency of the fire department is shown in the amount of property involved in conflagrations as against the total losses. For instance, last year's fires attacked \$899,195 worth of buildings, but only \$255,636 damage was done. On the losses of 1906, \$125,321.10 insurance has been paid, leaving an uninsured loss of \$130,305.40.

The Yorkshire Insurance Company has decided to extend its operations to Canada. Its general manager and secretary, James Hamilton, made an extensive trip through Canada last summer with a view to looking over the field, with the result that his directors have adopted his recommendations, and have appointed F. M. Wickham, general manager of the company for Canada, with headquarters at Montreal. Mr. Wickham is an old Montrealer, and for a number of years represented the Alliance as their chief representative in Canada. The Yorkshire was established in York, England, in the year 1824, and, although local in its inception, has now branches in the principal towns in the United Kingdom. Messrs. Oldfield, Kirby & Gardner have been appointed agents for the company in Winnipeg. They have applied to the Provincial Government for a license, and will probably be transacting business in a few weeks.

The Toronto University buildings have been insured under a new arrangement, which will continue for three years. The amount of the insurance is \$1,450,000. This is about one-third more than the previous aggregate of insurance, the increase being due to the number of new buildings. The amount of premiums for the insurance was \$16,833. The insurance is divided equally among twenty of the companies doing business in this Province, but it is said that these do not include any American companies. Each of the twenty companies is, therefore, carrying exactly \$72,500. Among the companies are the Alliance, the Home, Liverpool, London and Globe, Mercantile, London, Scottish Union, Sun, the Union, Northern, Western, Norwich Union. Among the largest single items in the aggregate of \$1,450,000 insurance are the following: Main building and east wing of the university, \$200,000; books, \$100,000; engineering building, \$100,000; furniture apparatus, \$90,000; chemistry and mining building, \$185,000; Convocation Hall, \$120,000.

## MONTREAL FIRE RISKS.

Complaint is made to the mayor and aldermen of Montreal by the Canadian Fire Underwriters' Association of "the many failures of the fire brigade of the city to confine outbreaks of fire to the buildings in which such outbreaks occur." Three of these within a month entailed an insurance loss of more than \$1,000,000. The underwriters say nothing in their letter about raising rates, which has been the chief cause of complaint in past years, but declare that the companies "will be constrained to reduce the amount of insurance they are now carrying in the business section."

Some of the city aldermen are in favor of investigating not only the fire brigade, but the building inspection department and other parts of the civic machinery upon which the responsibility for recent disastrous fires can be thrown. Montreal cannot afford to allow it to go forth that property within her borders is not fairly safe from fire. If such losses as those described continue, it is only what may be expected if the underwriters refuse longer to carry risks which experience show are carried at a loss.

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MONTREAL

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Editorial: T. G. ALLUM

## COAL AND

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