

**MR. DAVID BURKE, A.I.A., F.S.S., ON THE
HISTORY OF INSURANCE.**

On the 28th February last Mr. David Burke read a paper on the "Antiquity of Insurance," before the Insurance Institute of Montreal. He prefaced the paper by stating his object to be, not to give any information which had not already been given by historians and writers, but to enable the younger members of the Institute "to understand the difficulties under which the scientific structure of insurance has been erected, which stands to-day as a great bulwark of protection to, not only trade and commerce, but the families and homes of the people." The early methods by which the principle of insurance was applied were, "in the shape of average contributionship, restoration by guarantors, or indemnity for some performance that was accepted as a consideration." Such crude methods, Mr. Burke claimed, "established the principle of insurance." Proof of the great antiquity of insurance is afforded by tablets found in the ruins of great cities that once studded the banks of the Tigris and Euphrates, having contemporary records of events reaching back thirty centuries before the Christian era. "These tablets reveal the fact that insurance was one of the features of those people." Mr. Burke considers it certain that insurance has a much more longer history than is generally thought, and that the development of life insurance may be claimed as a symbol of "the progress of the human race from the nomadic condition to that of civilization." Mr. Burke quotes an eminent author to effect that, the unlikelihood of the early practice of insurance cannot be deduced from the non-existence in ancient times of a knowledge of the theory of probabilities. He quotes Mr. Charles M. Holt of the Montreal Bar, who states, "there is no trace of insurance contract in Roman law." The probability, however, is that some form of insurance was practiced in those days, which is not recognized in the legal code.

The oldest class of insurance the essayist regards as Marine Insurance. The principle underlying this business was employed in the later ages of Rome by which vessels lost at sea or taken by the enemy were to be replaced in return for supplies furnished to the army in Spain. This agreement, says Mr. Pocock, in his writings on Insurance, "may be considered an insurance, though defective in the modern condition of a premium." Baron Parke thought this, "nothing more than what every well-regulated State is bound to do by natural justice." Mr. Burke differs with the judge, he regards the arrangement to have been that "the State became the insurer, and the consideration was service to the State by the vessel owner or merchant that was equivalent to a premium. The State made an agreement of indemnification and performed it." The layman in this matter seems to have the best of the argument. In 1435 the Barcelonians issued an ordinance relating to marine insurance. In the

eleventh century the Italian method was in vogue of average contribution for loss at sea, and the fixed premium is older by several centuries. "In the sixteenth century the principle of marine insurance was known in Italy, the Netherlands and England." Lord Bacon on the opening of Queen Elizabeth's first Parliament, said: "Doth not the wise merchant in every adventure of danger give part to have the rest assured?"

In 1601 there was an Act passed in England "Concerning matters of Assurances among the merchants," from which Mr. Burke quoted. His essay goes on to sketch the history of marine insurance in Holland and England. In 1720 a Parliamentary Committee on Insurance sat in England, the first on record. A petition was presented praying for establishment of a joint stock insurance company, one from underwriters objecting thereto, and a third from merchants denouncing the scheme as "a stock jobbing" proposal. The promoters, however, offered the large sum of £600,000 for charters for their schemes and they got them, which was the beginning of Incorporated Marine Associations in England."

Turning to life insurance, Mr. Burke's paper gives interesting facts relating to the origin of mortality statistics, and quotes passages from Mr. Walford on the early stages of life insurance in England, which was so closely allied with gambling as to call for interference by law. The anti-life-assurance edicts of France, and the Netherlands, are quoted by Mr. Burke, who remarks, "From out of this unhealthy condition of speculation on human life, the true principle and honest practice of life insurance has been scientifically evolved." It is to the honour of England that she was "the first country in the world to conduct life insurance on a sound basis."

The introduction of fire insurance met with strong opposition on superstitious grounds, as being an interference with Providence. This folly still survives amongst some very illiterate persons. Mr. Burke sketches the various developments of fire insurance in England, from Saxon times up to 1718, when the first fire insurance company was founded, which, started as "The Amicable Contribution," was changed in name to the "Hand in Hand," which is now over two hundred years old. In closing his most interesting essay, Mr. Burke devotes a section to "Fire Epochs of Insurance in England," and concludes by hoping that his efforts "will stimulate a desire among the younger members of the Institute for intelligent research into The Antiquity of Insurance." Mr. Burke's paper shows not only extensive reading, but considerable skill in selecting and condensing historic materials.

FIRE TESTS WITH WOODEN DOORS made respectively of deal and teak, reported by the British Fire Prevention Committee, showed that deal has greater resisting power against intense heat than teak.