DANGERS IN GROUP INSURANCE

Utah State Commissioner Does Not Altogether Approve —Interesting Views

That the request for approval of a group insurance contract by the Insurance Department should accompany every negotiation for such contract, each case to be decided on its merits, is the decision of Insurance Commissioner Done, of Utah. Three phases of the subject present themselves to him. First, the question whether group insurance under even the most favorable circumstances is entirely fair to other policyholders. Second, whether it may be considered fair in the case of non-participating companies, and unfair in the case of participating companies. Third, what the limit shall be as to the basis on which groups are formed? He does not take into account here the unmistakable conclusion that if group insurance is permitted to include any body of men, no matter how organized or held together, it will lead to a complete readjustment of the agency and medical department of the life companies.

He Cites an Example.

He gives the following example: "If one thousand men of all ages, occupations and habits band themselves together in a sort of business and social organization, there is a serious question whether sufficient homogeneity could be found in such an organization for a group policy. If it can, then it would be an easy matter for all kinds of artificial groups to be formed on such a basis, leavened a little perhaps with the fraternal idea, simply for the purpose of providing insurance for members, some of whom could not secure insurance under rigid medical tests. To me there appears great danger unless group insurance is confined to what I believe was its original purpose; namely, to provide insurance for employees of large establishments where conditions of labor and environment are such as to form an unquestionable basis for a group. But even in such a case, I think the plan more or less experimental and should be carried through with the utmost care."

One Instead of Thousand Investigations.

Mr. W. J. Graham, superintendent of the department of group insurance of the Equitable Life, says:—"Every carefully managed company in selecting individual risks finds it expedient to do a great deal of work that takes time and costs money. In addition to the medical examination, each case must be inspected, to determine whether the applicant is financially responsible; whether his environment is healthful or not, and whether his habits of life are regular or otherwise. In the case of 1,000 individual applicants, there must be 1,000 investigations. But suppose a manufacturing corporation or a department store or a large business firm should apply for insurance on the lives of a group consisting of 1,000 employees. Then the company will be able to make a far more thorough and minute investigation of the group than it could make in each one of a thousand applications from that number of individuals scattered in all directions; for, instead of 1,000 investigations, a single investigation would suffice."

COMPANIES LICENSED AND REGISTERED.

The following companies have been licensed to do business in Ontario:—

Larned, Carter and Company, of the state of Michigan, capital, $25,000.

Ontario Steel Products Company, Limited, Dominion charter, capital, $1,500,000.

The following companies have been registered to do business in the province of Quebec:—

Dominion Trust Company of Vancouver, B.C.

Quebec Savings and Trust Company of Montreal, Que.

The following companies have been authorized to do business in the province of Quebec:—

The Pabos Mercantile Company, head office, Chandler, Que.

The National Railway Association, Limited, head office, Montreal, Que.

The following association has been licensed and registered as a mutual benefit association in the province of Quebec:—L'Association de Bienfaisance et de Retraite des Pompiers de Quebec.

The following company has been licensed to do business in New Brunswick:—

E. Leonard and Sons, Limited, of London, Ont.

The Merchants Bank of Canada have opened a bank at Shaunavon, Saskatchewan.

RAILROAD BONDS AND NOTES

Grand Trunk Equipments Offered in London—Canadian Northern Land Mortgage Debentures

A portion of the 4½ per cent. equipment notes of the Grand Trunk, which were placed in New York, have been offered in London on a 5¼ per cent. basis, but there was no disposition to purchase, owing to adverse exchange conditions.

Lloyd's Bank has been authorized to receive applications for the offer of £1,500,000 five per cent. land mortgage debentures due the first of June, 1923, being issued by the Canadian Northern Railway at a price of 95. The denominations will be £100, £500, and £1,000, payable by the bearer in part or whole on the authorized issue of £3,500,000.

Conditions of Loan.

The debentures bear a direct obligation on the principal and interest of the company, redemption to be effected by purchase at or below par, plus the accrued interest of drawings at par, the company reserving the right at any time to redeem the whole or part at par on one month's notice.

From the instalments still receivable with respect to town properties and lands sold, it is estimated that about £400,000 will be available for redemption eighteen months from date.

Burnaby May Issue Notes.

Burnaby, B.C., may issue $1,500,000 treasury notes in London at 6 per cent.

New capital issues in London during October shows £18,800,000, as against £14,124,000 and £15,100,000 in preceding Octobers. The ten months' total is £208,251,000, against £179,008,000 and £149,029,000 during the corresponding periods in previous years.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station, for the week ended October 31st, 1913:—

Cobalt Lake Mines, 62,560; Lumsden Mining Company, 40,000; Peterson Lake Silver Mines, 69,220; McKinley-Darragh Savage Mines, 384,777; Cobalt Comet Mines, 113,400; Nipissing Mines, 131,240; O'Brien Mines, 151,690; Cobalt Townsite Mines, 148,000; Beaver Consolidated Mines, 64,360; Casey Cobalt Mines, 60,173; total, 1,225,420. The total shipments since January 1st are now 32,722,776 pounds, or 16,361 tons.

In 1904 the camp produced 158 tons, valued at $316,217; in 1905, 2,144, valued at $1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 29,360 tons; in 1909, 20,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; in 1912, 21,509 tons.

COMPANIES INCREASING CAPITAL STOCK.

The following companies in Canada have increased their capital stock:—

Landau and Cormack, Limited, from $50,000 to $200,000.

Mason and Risch, Limited, from $250,000 to $1,000,000.

The following companies in Manitoba have increased their capital stock:—

Canada Weekly Printing Company, from $20,000 to $30,000.

Stewart Sheaf Loader Company, Limited, from $200,000 to $500,000.

The following company in New Brunswick has increased its capital stock:—

Miramichi Black Fox Company, Limited, from $24,900 to $94,900.

The following company in Quebec has increased its capital stock:—

La Compagnie de Pulpe de Chicoutimi, from $1,000,000 to $7,500,000.

The following company in Ontario has increased its capital stock:—

Monarch Construction and Realty Company, Limited, from $40,000 to $150,000.

The London Financial News, commenting on the Dominion of Canada Mortgage Company, an Edinburgh concern, for the year ending in June, says: "The net income amounted to £822, as compared with £17 for the year previous. To earn the former amount the expenses involved will absorb £370, while the dividend of 4 per cent. recommended will take £655; in view of which the results can scarcely be held to justify the company's twenty-eight years of existence."