

ACCIDENT INSURANCE IN FRANCE.

A NOVELIST'S EXPERIENCE.

A correspondent of the *Insurance Record* of London, a well-known novelist, who asks that journal not to publish his name, has written the following account of his relations with a French accident insurance company:—

At the commencement of 1886 I insured with the Foncière, Paris, against accidents, my policy being for ten years. In the event of my death from accident before the expiration of that period the company contracted to pay ten thousand francs. Their agent who insured me was a personal friend, since deceased; and as he explained to me, with others of our compatriots (we were all English residents) who were insuring at about the same time, the "very advantageous" conditions of our policies, I for one did not look into the voluminous clauses of the policy I signed. This was of course extremely unbusiness-like, but I am not a business man, and I trusted my friend, the agent—an Englishman born in France. For two or three years I paid the premium every January. Then, having heard of the extraordinary difficulty experienced by various acquaintances in obtaining compensation for accidents, I resolved to let the policy lapse. Accordingly, I took no notice of the next application for the premium. A second and third application was sent; and as I continued to ignore them a liveried messenger called and informed the servant, in my absence, that if I did not pay within a few days the brokers would be put in. When this message was repeated to me I ridiculed the idea, never having heard of such a thing in connection with the British accident insurance companies. However, before the expiration of those few days, the assistant-secretary paid me a visit, and told me—quite courteously—that if I did not pay the premium I should undoubtedly be sold up. Then it was that for the first time I discovered what my unbusiness-like habits had done for me. The policy I had signed was a contract for ten years certain. I begged the assistant-secretary to set me free, as a personal favor, pointing out to him that they had already put three premiums into their pockets, and offering to recommend the company to my French friends as a set-off. This was quite impossible he informed me. We adjourned to a café and drank beer, and the charm of his society almost reconciled me to my bond. I continued paying the premiums rather than be sold up, but carefully refrained, I need scarcely say, from recommending the company to anybody.

Last year the explosion of a soda water bottle injured one of the fingers of my left hand. I was under surgical treatment for fully three months; but as the accident occurred in England I made no claim upon La Foncière. In the Whitsun week of the present year I dislocated my left foot in a fall whilst playing lawn tennis at my club, in the Neuilly suburb of Paris. The accident occurred on the Thursday afternoon. It was not until the Saturday following that a visitor, condoling with me in my plight, persuaded me to apply to my valued Foncière, with its capital of twenty-five million francs. My letter reached them on the Monday morning. I promised to furnish the names and addresses of the persons who witnessed the accident; referred them to the *concierge* of my house, who knew that I could not even get downstairs; and gave the name and address, also, of a gentleman whom I had been obliged to employ to replace me in an engagement which had suddenly required my professional attention. I was called away to London the next day, and a most expensive journey it was, for I had to be supported by attendants, and when I got to Victoria found that London was in the throes of a cab strike. Here is a translation of the letter which I received from the manager of La Foncière:—"The accident of which you advise us occurred on Thursday last, consequently your report to us is unduly late. Clause 17 allows a delay of forty-eight hours to the assured person for advising us of any accident. The same clause further requires the assured person to append to his claim a detailed declaration as to the circumstances of the accident, together with a certificate from the doctor called in to give the immediate care to the case (*les premières soins*). Now, you do not furnish any such documents, and the indications which you supply are insufficient to replace them. It is distinctly for you yourself to produce the proofs of the accident, as of the in-

capacity for work which may be its result, and it is not for us, on our part, to occupy ourselves with the collection of them. In addition to these reserves we have to add others respecting your departure for London, and we must refer you to the closing portion of clause 8 of the general conditions of your policy, stipulating that the indemnity is only due in so far as the assured person follows medical treatment, and submits himself to the rest recognized as necessary for his cure." There I have let it rest. Perhaps the case may interest you or some of your readers. As for me, the Foncière will totally cease to present any interest after 1896.

INSTITUTE OF BANKERS IN SCOTLAND.

The Institute of Bankers in Scotland held its nineteenth annual meeting June, 1894, in the Institute Hall, Edinburgh—Mr. T. H. Smith, general manager of the National Bank of Scotland, presiding. The report of the Council, submitted by Mr. J. Macbeth Forbes, the secretary, stated that during the past year eighty-six members and associates had been admitted, while thirty-six had been removed by death and from other causes, leaving 910 on the roll at the close of the year. To these may be added seventy-five subscribers in Glasgow and Edinburgh, making the total number connected with the Institute 985. The candidates at the March examination had numbered 350, as compared with 323 in the previous year. A larger proportion passed. In the examinations for membership the total number of papers presented was 560, as against 358 for last year. Of these there were in law and banking 364 papers, of which thirty, or 8 per cent., were rejected. On all other subjects the number was 196, of which twenty-four, or 12 per cent., were rejected. In honors examination there were forty-one papers tendered, as against four in 1892, and of those only six were rejected. The Council recognized with pleasure that there was along with the increasing number of entries a marked improvement in the quality of the work done by the candidates. The report concluded with an expression of high appreciation of the valuable services rendered the Institute by Mr. Charles Gairdner, LL.D., retiring president.

The chairman said their retiring president, who was unable to be present, had prepared some notes which he (the chairman) thought he could not do better than read to the meeting. Mr. Gairdner said that last year he thought it his duty to call attention to the large percentage of failures to pass in the more elementary subjects, and he was glad to be able to refer to this subject in a different tone. Among the candidates for the associateship the rejections in arithmetic, which last year were 43 per cent. of the whole, are this year only 18 per cent.; in geography last year 43 per cent. is this year only 18 per cent.; and in English composition 40 per cent. has been reduced to 36 per cent. These changes, he thought, were all in the right direction, for a high standard in these subjects was absolutely essential, and in many home and foreign banks they form the chief test for admission to the service. It was also satisfactory that there were forty-one candidates who passed the full members' examinations this year as compared with sixteen last year, and that of these there are three who passed with honors under the new and more stringent regulations. On behalf of the council and himself, Mr. Gairdner offered them hearty congratulations. He said that the position gained was a highly honorable one, for it showed that thus early in their career they had some of the attainments which qualified for the higher duties of their profession. They must not suppose, however, that membership was an end in itself. It was rather of the nature of a decoration which distinguished them from those who had not passed, and signifies chiefly a certain superiority in their equipments. But these equipments had now to be turned to good account by active and energetic service in the interests of others.

The chairman emphasized the importance to all members and others of having a proper acquaintance with English composition, and then moved the approval of the report, which was seconded by Mr. John Gifford, who said that the institute had raised the professional standing of the Scottish banks. The report was adopted.

It was announced that Mr. Robert Murray, North of Scotland Bank, Dundee, and Mr. George J. Scott, of the Union Bank, head office, Edinburgh, had won Mr. Gairdner's 1st and

2nd prizes of ten guineas and five guineas respectively for the best essays on "What Limitation should be imposed by Law on the Right of Bequest."

The election of officers being the next business, Mr. H. A. Hotson, manager of the British Linen Company Bank, was elected president, as successor to Mr. Gairdner, who was thanked by the meeting for his services to the Institute during his term. Mr. Andrew Aikman, general manager of the Commercial Bank of Scotland, was appointed a vice-president in room of Mr. T. H. Smith.

THE AUSTRALIAN BANKS.

The condition of affairs in Australia, particularly in connection with the banks, has a keen interest for thousands in this country. We regret to say that we cannot see our way to agree with the opinions expressed by the chairman of the London Bank of Australia at the recent meeting of the shareholders of that institution. The wool trade is in a bad way, and the frozen meat business is but slightly better, and the decrease in the imports is nothing to speak of. A Melbourne correspondent, who is in a position to know how matters are in the colonies, says they are far from satisfactory.

With respect to the capital of the Australian banks, it appears the total has increased from £15,588,755 on March 31st, 1893, to £19,532,512 on December 31st last. The new capital demanded by the New South Wales banks is being rapidly paid up, while most of the Victorian banks have also been successful in the matter of calls, but signs of exhaustion of many shareholders are increasing. Great difficulty exists in the disposal of bank shares, as the public will not touch them. There also appears to be a great dearth of safe and profitable channels for employing capital, and the banks have reduced their deposit rates to 4 per cent. London has been sending over orders for the purchase of securities, which the colonials are parting with, having apparently less faith in the future than people on this side. Broken Hill Proprietary Shares have been active amongst other securities in this connection, and some hitherto firm holders are selling to London buyers. It is stated that the limit at which the mine can produce silver is 1s. 10¹/₂d. per ounce, but through a saving in the working expenses this price has been reduced to some extent. It is observed that the liquidations of the various financial institutions are proceeding in an unsatisfactory manner.

It is stated that a project is under way for the formation of a joint-stock company to take over some of the unrealizable assets of the Australian banks which were reconstructed last year. It would be a very important matter for the banks if they could sell part of their property, for their liabilities as regards deposits amount to £52,634,495, spread over twelve years beginning in 1896. The bulk of repayments, however, fall due in 1898, 1899 and 1900, aggregating £33,737,712. The amount due in 1896 is only £51,958, and in 1897, £1,590,548, but in 1898 the amount is £10,605,772. Of this total the following banks are responsible for the following amounts:—

Commercial Bank of Sydney..	£2,025,747
Commercial of Australia	2,000,000
National of Australasia	2,111,144
Australian Joint Stock	1,538,579
Bank of Victoria	1,493,334
City of Melbourne	700,000
Colonial of Australasia	520,000
Royal of Queensland	165,000
Bank of Queensland	51,968

£10,605,772

Our contemporary, the *Australian Trading World*, has compiled a valuable set of tables giving the position of the twenty-five Australian banks at present in existence, compared with how they stood last year. From these figures it appears that the total deposits in May last were £135,600,823, as against £154,019,495 in April, 1893, or a decrease of about 12 per cent., while the advances have fallen off about 11 per cent. The amount of capital locked up in landed property is £6,830,214, of which £3,630,431 belong to the twelve reconstructed banks. As shown above, the heavy payments do not begin until 1898, so that the banks have time to pull round if trade improves during the next four years, when the burden may be lightened by the receipts of fresh deposits to replace those falling due, or a renewal of the old ones, if confidence has returned.—*Finance Union*.