

Notes on Business.

Union Fire Insurance Company, of Paris.

Mr. Maurice Ferrand, representative of the Union Fire Insurance Company, of Paris, France, is at present in Canada, with a view to making the necessary arrangements for the transaction of fire business in the Canadian field by his Company. The Union was established in 1828.

Bank of Canada.

The Bill to promote the new French-Canadian bank with a capital of \$10,000,000 and the proposed name of La Banque du Canada came before the Committee on Banking and Commerce on Wednesday, when the name was approved by the committee. Mr. Fielding and Mr. H. H. Miller, chairman of the committee, stated their objections to the proposed name, but the committee outvoted these objections. An argument for this action was that the Bank under any other name may not be able so successfully to bring capital here from abroad as under the title of La Banque du Canada.

British Liability Insurance Experience.

The experience of British companies undertaking liability insurance is further discussed by The Policyholder of Manchester. "That 'shaving' does exist," observes the Policyholder, "we have the evidence of the county courts; that it should exist is a misfortune for the companies as much as for the insured, for it has a demoralizing effect on offices and claimants. Everyone knows that the rates quoted by many accident offices are subject to the most fantastic alterations. Many companies have run the business on lines which are nothing more or less than a wild gamble. They have charged inadequate rates, made inadequate settlements and inadequate provision for the future. Nothing reveals this more strikingly than the returns which have now to be made to the Board of Trade. Taking a few of the largest offices, we find startling differences in their views as to the provision which is necessary to meet future claims, etc. :—

EXPERIENCE OF 1909.

Name of Company.	Premium Income.	Non-fatal claims settled.		
		No.	Amount.	Average.
Com'l. Union	£204,583	13,018	£48,534	£3 14s 6d
Employers' Lia.	97,098	4,676	21,414	4 12s 11d
General	162,222	13,441	49,825	3 14s 0d
Lon. & L. Fire	238,079	15,347	59,688	3 17s 9d
Nor. Un. Fire	144,623	10,159	33,842	3 6s 7d
Ocean	309,180	21,215	88,630	4 3s 6d
Railway Pass.	97,399	7,039	24,878	3 10s 8d
Royal	129,293	9,854	31,370	3 3s 8d

Non-fatal claims outstanding. Estimated.

Name of Company.	No.	Cost.	Average.
Commercial Union	2,426	£54,906	£22 12s 7d
Employers' Liability	1,052	20,883	19 17s 2d
General	2,135	16,326	7 12s 6d
Lon. & Lanca. Fire	2,627	57,896	22 0s 9d
Norwich Union Fire	2,080	38,322	18 8s 5d
Ocean	2,901	76,243	26 5s 7d
Railway Passengers	2,018	33,801	16 15s 0d
Royal	671	26,968	40 3s 9d

"These companies have been selected haphazard, and of course, the list is by no means a complete one, but it shows how widely the views of the companies differ as to the amount likely to be required to dispose of the 1909 claims." The Policyholder points out that the question of reserves is affected by the general quality of the business on the books, but, after allowing for this, it considers that the wide differences of opinion revealed above need further explanation.

In New Zealand, that happy hunting ground for experiments in **State Banking** in New Zealand. "advanced" legislation, the question of State banking is to receive the serious consideration of the Government. A committee of Parliament, who have recently been investigating the subject, have reported that the establishment of an entirely new State bank of issue and deposit is inadvisable, but that a permanent and effective partnership between the State and the private shareholders of the Bank of New Zealand, or the acquiring of the present shareholders' interests by the State on equitable terms is desirable. The committee state that the present provision for the issue of notes by the banks is sufficient for ordinary requirements and that "since the existing note-tax, as appears from the evidence, absorbs nearly all, if not quite all, of the profit made by the banks on their note-issue, little or no advantage would be gained by the issue of State notes for ordinary requirements; but that to meet exceptional demands, as in times of panic or of abnormal withdrawal of deposits, some provision is needed for temporary issues of non-redeemable State notes or State-guaranteed notes."

State Invalidity Insurance.

At the recent annual meeting, in London, of the Prudential Insurance Company, the well known English industrial company, interesting reference was made by the Chairman (Mr. T. C. Dewey) to the question of State invalidity insurance as it is being raised in Great Britain. Mr. Dewey remarked in part :—

Many shareholders have asked how the Government scheme of insurance against invalidity will affect our industrial business. It is obvious that until we know the details of the Government proposals it is impossible to answer the question, but perhaps a few general remarks on the subject may not be out of place. It is believed that the scheme will to a large extent be founded upon the same lines as the German scheme. In any event the proposed Bill will deal with a question of enormous magnitude and of wonderful complexity: the German experience proves this, for, masters of detail as the Germans are, there has been constant legislation on the subject ever since the project was brought forward twenty years since.

Two years ago there was introduced into the German Imperial Parliament a Bill—which is, I think, still under consideration in Committee, for the unification and reform of the whole system. The Bill contained 1,793 sections, was printed on 286 pages and explained by 135 additional pages of text. One feature that stands out in Germany is that the Government pensions or invalidity allowances are not looked upon as being sufficient, but they are made the basis upon which schemes of thrift are built. It is common for employers and employed mutually to agree as to a far-reaching and elaborate scheme embracing all descriptions of thrift, to the benefit probably of both. A notable example of this is the case of the great Krupp steel and iron works.

No doubt our Government and their advisers have well considered all the difficulties and details of the proposed Bill, such as the method and division of the contribu-