



Bankers' Safes . . Vaults and Vault Doors

Fire-Proof Safes . . Vaults and Vault Doors

Illustration shows the Vault of the
NATIONAL TRUST CO. of TORONTO,
Installed by us, the door of which weighs
6½ tons.

THE GOLDIE & McCULLOCH CO., LIMITED
GALT, - - - - - ONTARIO, - - - - - CANADA

WESTERN BRANCH QUEBEC AGENTS B. C. AGENTS
248 McDermott Ave., Winnipeg, Man. Ross & Greig, Montreal, Que. Robt. Hamilton & Co., Vancouver, B.C.

LIFE INSURANCE—ITS HISTORY.

Sixteenth Century Underwriting—Notes of Modern Developments.

(Conclusion.)

A large capital, now an average private fortune, was demanded as a guarantee, and this capital must not be exposed to the dangers of trade, but set aside for the special purpose. Individual underwriters may die or fail, but a permanent institution such as a corporation, can be trusted in long contracts. Thus the principles of insurance have become a distinct part of the common thought in enlightened nations and gradually, by association with successive new ideas, plans and methods, were developed into a business or trade before the middle of the 18th century. Most of the modern forms of insurance against the elements were known, and at least crudely practised. Risks were defined, appraised and roughly classified. Premiums were determined with some regard to experience, and attempts were made to collect, classify and study the facts. Corporate enterprises competed for patronage, mutual and proprietary or stock company methods, were discussed and tried. Disputed contracts were interpreted and enforced by the courts, laying the foundation of insurance law. But life insurance may be said to have been impossible, as understood to-day, until the theory of probabilities had become recognized.

A few German and Italian writers had attempted large collections of comparative data in this field but without trustworthy sources of information, so that their labors served only to indicate a want, not to supply it. In 1609, Sully, a great minister of Henry of Navarre, established a permanent national bureau to inquire into the economical and social condition of the kingdom, but this magnificent undertaking in

his advanced age, fell with his death. The fruitful use of his statistics was impossible until the principles of the science of probabilities were grasped, and as these gradually became a part of the stock of ideas among advanced minds, statistical method was developed. Even as early as 1654, the greatest minds of the age were engaged in groping in the dark, as it were, with the thought that the probabilities can be definitely appraised and compared. Step by step, a new science was created, that the laws governing events, the causes of which cannot be traced, could be with reasonable certainty, forecast as to the average number and time of occurrence.

Bismarck and Insurance.

The conceptions of this science were implanted first in the minds of a few mathematicians who were then studying social facts, especially those of human mortality, and in succeeding generations, they were somewhat familiar to the educated men of that day, so that it seems to have naturally followed, that even at the present time, the more intelligent nations and individuals are most informed and deeply interested in the idea of life insurance, and for that matter, all other forms of insurance. The world has slowly but thoroughly learned that events which individually are impossible of prediction whose determining forces defy analysis, and which to us are therefore casual, tend to work with greater and greater uniformity, the larger the number of instances collected, the averages are forecast with greater accuracy. Until these principles were clearly understood, life insurance was impossible, as understood and accepted to-day.

The German people, as a nation, adopted the scheme of life insurance under the recommendation of Bismarck about 1880, when it was made compulsory for all working men and women to provide a form of insurance for indemnity in case of accident or sickness, the cost of which, varied from one-half to one-third, was borne by the Government. In 1889 a further provision was established for old age insurance of which the cost is borne one-half by the individual, and one-