

But here, too, careful consideration of the matter in all its bearings is called for. Dr. Thomas Willard, medical director of the Metropolitan Life, has estimated that in order to recoup that company for the expense of such examination of policyholders, there would have to be an improvement in mortality of 25 per cent. spread over a period of five years.

Would the Plan Work out in Practice?

Whether such an experience could be hoped for, he doubted, but he would be glad to see it. Saying he believed the subject worthy of further study, Dr. Willard concluded as follows: "It might be possible to make an experiment by taking two districts of equal size where the conditions of hygiene are practically the same and mortality about the same, and apply this method to one and omit it in the other. Five years' experience would be necessary upon which reasonable deductions could be based. This is a matter of co-operation and business economics and I hope it may be possible to devise some plan to try this scheme out."

Dr. F. C. Wells, medical director of the Equitable Life Assurance Society, presented several objections to Dr. Foster's proposition that might well occur in actual practice. Policyholders might become suspicious of the companies making such examinations and would say the companies wanted to prevent them from taking out more insurance. He did not believe that the average policyholder now allowed five years to elapse without having a medical examination by his family physician and if he had an honest physician who advised him conscientiously, the company would get the benefit of his advice. "I believe we are on the right track in taking up such a scheme for discussion," said Dr. Wells, "but I think the best way to arrive at the results desired is by a campaign of education, and I would like to see the companies contribute to such a campaign by the use of pamphlets, books and other literature."

Dr. Oscar H. Rogers, medical director of the New York Life Insurance Company, agreed with Dr. Willard in characterizing Dr. Foster's proposition as being too expensive to be practicable. He estimated that it would cost his company \$700,000 a year for such medical examinations and \$50,000 a year more for clerical work. Roughly speaking, from 10 to 12 per cent. of the mortality experienced by his company was from tuberculosis, but an examination of a policyholder once in five years would not save any substantial portion of the loss.

Dr. Foster was not daunted by the criticisms with which his proposal met. He said he had not expected his suggestions would meet with approval at the first, but he believed that the time would come when preventable diseases would really be prevented.

CANADIAN CUSTOMS RETURNS for the fiscal year ending with March show the following values for the twelve chief ports; including their sub-ports: Montreal, \$12,938,197; Toronto, \$9,433,172; Winnipeg, \$3,320,021; Quebec, \$1,534,282; Vancouver, \$2,540,012; Hamilton, \$1,269,939; Halifax, \$1,618,258; St. John, \$1,166,556; Ottawa, \$1,022,754; Victoria, \$1,008,829; London, \$770,663, and Windsor, \$716,005.

REPORT UPON LONDON LLOYDS.

Until Basis of Auditors' Examination is Known, Position can only be Guessed at by Public.

The failure of James Bischoff & Son, one of the oldest brokerage firms in Lloyds, London, has given particular interest to the chartered accountants' examination of the association. But although the outcome of the audit has been announced in general terms, the outside public has not been informed as to details. It is stated by Sir John Luscombe, chairman of the governing committee, that ninety-eight per cent. of the membership have passed the test and are good for the financial liabilities they have undertaken. Of the remaining 2 per cent. whose names did not appear on the certified list, it was said that most of them expected to qualify for certificates within a week or two.

Sir John is quoted as saying in a recent interview: "I am extremely gratified by the result. The audit establishes that over £5,500,000 is deposited with the committee by the members as security for the contingent liabilities. The result is very gratifying and is a complete answer to the criticisms of the institution, originating from American, German and other competitors."

To this, so careful an American critic as the New York Journal of Commerce replies that until the basis on which the audit was made is known, it will receive little respect from those having any knowledge of the fire insurance business. Unless the calculation shows in the case of each underwriter that in addition to the required deposit he has good and liquid assets equivalent to the pro rata unearned premium on his outstanding risks and unpaid loss claims, and that these assets are, and will remain, full and clear of all other than policy claims, it is an imposition on the public to promulgate this announcement of an audit as though, to use the chairman's words, "It proves beyond a doubt the stability of Lloyds."

Captain Inglefield, the secretary of Lloyds, in a recent interview, admitted that some of the members of Lloyd's had speculated, and had become seriously involved financially, but he said he believed that nearly all of these had been found to be solvent at the audit of their accounts. He would not say to what extent they had been helped to make up their balances. This raises the further point as to whether the auditors have credited as part of the £5,500,000 any guarantee policies especially made by Lloyds members to each other. If so the importance to be attached to the £5,500,000 is somewhat impaired.

THE BANKING AND COMMERCE COMMITTEE AT OTTAWA have reported a bill incorporating the British Colonial Fire Insurance Company, whose head office is to be in Montreal. The incorporators are C. E. Dubord, M.L.A., J. B. Morissette, of Quebec; E. F. Devarenes, M.L.A., Waterloo; A. N. Nairn and T. Meunier, Montreal; E. Guillet, Maricville; and L. Lafleur, Montreal. The capital of the new company is \$2,000,000.

THE BILL TO INCORPORATE the London & Lancashire Plate Glass Indemnity Company of Canada passed its third reading in the Senate, this week.