

NEW FORMS OF PERIL.

Trans-Atlantic insurance journals have been discussing the marked increase in the number of accidents recorded for the past year, and among the special reasons advanced why fatalities of all sorts should be thus augmented, those presented by "The Insurance Spectator" are well worthy of consideration. The London journal says:—

"We have on many occasions discoursed on that unpleasant theme, the increase in accidents. From the 'Labour Gazette' we gather that during the latter half of the past year there has been an increase in accidents, all round, and the non-fatal accidents, all of which mean so much loss to the individual and to the community, have advanced for the whole year by no less than 15,822! In regard to the actually fatal accidents, we learn that, according to the statistics here given, there have been in the railway service three more fatal accidents, in the mining industries thirty-six, in quarries twenty-one, in factories generally seventy-one, and in miscellaneous occupations seven more fatal accidents were recorded.

"Of course we know very well indeed that the Workmen's Compensation Act is credited with increasing the recorded casualties of all kinds coming under its operation, and the compensation assigned specifically by the collective wisdom of the nation has, of course, stimulated claims in a most remarkable manner. Another six months' experience of an Act which, so far, has been undoubtedly open to the severest criticism will enable us more justly to gauge its true effects and its probable outcome in the immediate future. While on this subject, we would observe that the number of fatal accidents tabulated is apt to be very misleading indeed. For be it borne in mind, that many of the so-called non-fatal accidents are really fatal in the final issue. Only the other day it was pointed out that, in reviewing railway accident reports, one should bear the fact in mind that the fatal accidents admitted are practically those in which an inquest had to be held. In other cases of death resulting at home or at the hospital, without the coroner being invoked, there would probably be only an entry under the non-fatal head, and that certainly, if it is so, makes a very great difference indeed! We have a report before us as we write, from the Home Office, relating only to mines, and thence we gather that the waste of human life from the many accidents incidental to mining amounts in all in round numbers to something like four thousand per annum. This is, indeed, a very terrible death tax. All the trend of modern advance is in the direction of new forms of peril, and these are indicated by the disasters that have already attended that popular toy, the cinematograph, and by the explosion at the Toulon magazine of the new powder."

The latter is believed to have been generated by spontaneous combustion, though some ascribe it to the anarchists. Anyway, the old-fashioned gun-

powder was never subject to spontaneous combustion, but with each fresh advance in the application of chemistry to the ordinary arts of contemporary life, whether it be in relation to war or peace, we have to incur new risks—risks that far exceed anything that was ever experienced of old, while it must be remembered that in olden times, as a rule, there never was the same concentration of population on given areas such as we have now, a circumstance which tends naturally to render matters even worse from a safety point of view.

WHERE SPECIAL CONTRACTS ARE ILLEGAL.

The United States Commissioner of Insurance for the State of Michigan has, in a circular recently issued, exposed a most ingenious and roundabout attempt to evade the anti-rebate law. The Commissioner explains to the life insurance Companies doing business in the State the plan adopted by the offenders, and declares that such discrimination between policy-holders will not be permitted. He says:—

During the last few months several companies insuring life in this State have adopted and put in operation plans known by different names, but one in particular generally termed as "Special Board Agency Contracts." By such plans the company would make not to exceed two hundred to four hundred persons members of the board, these persons living in different parts of the State, taking insurance with them and becoming so-called board members. They were nominally supposed to be inactive agents and were required to use their good influence for the company's welfare. Their compensation was to be as follows and to extend from twenty to fifty years:

The company agreed to set aside one dollar per thousand on each annual premium every year, and place it in a special fund to be divided among those holding such contracts. No other policy holders except the number limited were to be allowed such advantages and the number could not be increased. By this method inviting opportunities were offered and exceedingly flattering results promised. The plans have never met the approval of this department, and have only been allowed because of the representation that it was simply a method adopted to compensate agents.

After about one year of trial it has been found that the plan is not for the purpose of compensating agents, but as conducted is, in the opinion of this department, clearly a violation of act No. 171 of the laws of 1889 known as the "anti-rebate law" hereinafter quoted. It discriminates between policy-holders, and its object is not that claimed.

In view of this fact, the Commissioner has requested all companies operating under any such plan to at once desist from further use of the same, and warns them that continuance of such methods after receiving notice will subject the companies to the penalties prescribed by the statute quoted.

The section of the Act referred to is known to all insurance officials in the State of Michigan. But, lest any Canadian or British reader of THE CHRONICLE is not familiar with the insurance laws of the United States, we reproduce the penal clause:—