

INSURANCE COMPANY FEDERATION ADVOCATED.

A strong stand for co-operation among insurance companies of all classes is being made by President Darwin P. Kingsley of the New York Life, along the line of plans now maturing under his direction and that of other leaders in the business, looking to the formation of a national organization. Mr. Kingsley, in a recent interview in the *New York Commercial*, believes an insurance federation could be formed which could do effective work for Federal supervision which would relieve companies of the burdensome and expensive requirements of the present system. Mr. Kingsley said in part:

One great defect in the plans of insurance heretofore has been that each type of insurance has fought its own battles, assuming probably that it could gain certain advantages and at the same time escape certain disadvantages by not co-operating with other kinds of legitimate insurance.

This is not only a mistake but a survival of the old State's rights idea, which is the existing influence that keeps insurance from Federal supervision. Legitimate insurance everywhere ought to stand together. It ought not only to stand together, but to fight together. It must fight aggressively at an early date or, in the light of recent decisions of the Supreme Court of the United States, it has no more future than the old federation which preceded the Union.

If each State, as the Supreme Court has recently said, can fix the rates for fire insurance, then of course it can fix every other rate and to say that it can is to forecast that it will. No insurance man needs to be told what that means.

LLOYD'S AND THE DERBY.

References have recently appeared in the Press to policies taken out at Lloyd's against Tetrarch—the former Derby favourite—being scratched for the great race. The number of insurances actually done was probably small, and the circumstances were no doubt exceptional. No such insurance, we understand, has ever been done before, and we may hope that the experiment will not be repeated. Lloyd's has some active critics whose favourite argument is that it is a centre of gambling. That is a grossly unfair criticism, for practically all the business of Lloyd's is legitimate insurance covering business men against risks incidental to the management of their business. Such insurance is not gambling, but this particular risk is hard to justify as a business transaction. The insurable interest was a gamble, and a policy that protects a gambler from the consequences of his gambling is nothing but a gambling document. If racecourse punters want a hedge they should get it elsewhere than at Lloyd's.—*London Economist*.

A MILLION IN AN HOUR.

Seventeen years ago, the late George W. Vanderbilt, who died recently, secured a policy in the Mutual Life of New York for one million dollars on the twenty-payment life plan. He paid in premiums a total of \$595,000, the Company re-insuring the amount of the policy in excess of \$250,000. Proofs of death were presented to the Company at 2.15 p.m. on March 25, and the cheque for one million dollars was in the hands of the attorneys for the executrix one hour later, at 3.15 p.m.

A WORD TO THE FARMER.

No doubt many fires that occur on farms are caused by the incendiary, but many attributed to that cause are from lack of care. Buildings being allowed to become dilapidated, accumulation of old material, trash, and other fire-breeding material are more often the cause of disastrous fires than is the incendiary. Prevent fires by cleaning up in and around buildings. Do this before the heavy work of spring begins. It will pay and pay handsomely. Fire prevention in your homes and about your buildings is much better than to mourn over the remains of your loved ones or the sympathy of your neighbors over your loss.

Don't smoke in bed or near barns, haymows, or other outbuildings. Don't go into barns or other buildings with an open light. Watch electric wires in barns and houses. Have frequent inspection made for short circuit or crossed wires, which will cause fire. Build a cistern near barn with good force pump and hose attached. If you have no fire-fighting force near you, form one among your neighbors, and do not hesitate to call when services are needed. Be sure your property, crops, implements, and household goods are fully insured. But don't overinsure. Form an association where complaints can be made of carelessness of your neighbors in reference to the accumulation of rubbish heaps or storage of gasoline or other inflammable material where the same may endanger your own or other property.

DEATH RATE UNDER GROUP POLICIES.

Will the death rate among the lives insured under group policies be higher than the rate experienced among individually medically selected lives? I do not know. One of the companies writing group insurance upon the non-participating basis has incorporated in its policy a saving clause providing for a revision of the rates at the end of five years, based upon actual experience. I presume the death rate may be somewhat above the normal rate, but the group if properly inspected is in a sense a selected risk, and probably will not deteriorate materially owing to the fact that all subsequent entrants are subject to medical examination. It seems reasonable to suppose, however, that any increase in mortality will be offset by the saving in expenses. It is important to note in this connection that in any final analysis of this question no profit from excess interest earnings should be taken into consideration unless the basic rate is other than the yearly renewable term rate. While this profit is probably one of the most important factors in determining returns upon life insurance policies generally, it is practically negligible in the present case, as the reserve runs off each year and does not accumulate as in the case of ordinary life insurance.—*Connecticut Insurance Commissioner*.

Banque Nationale reports profits of \$319,902 or 15.99 p.c. on capital for the year ended April 30, an increase of about \$17,000 on the previous year. Dividends absorbed \$160,000 and \$150,000 was carried to reserve. Balance forward on Profit and Loss Account was \$62,699. Immediately available assets at the end of April were 39 p.c. of liabilities to public.