

GROUP INSURANCE AND THE FRATERNALISTS.

It was to have been expected that the fraternalists of Canada would be seriously distributed in mind by the provision among the new amendments to the Insurance Act of 1910 of one legalising group insurance. Already they have been to Ottawa, where the Minister of Finance gave them, we are told, a "very sympathetic" hearing. Whether this means anything more than the political discretion of the moment remains to be seen; in the meantime, it is worth remembering that the fraternalists are always pretty strong when political pull is in question and have an influence with legislators that the old-line life insurance man harassed by unnecessary legislation and ignorant M.P.'s, may well envy.

The fraternalists are concerned, it seems, that the coming into force of the group insurance provision will have a disastrous effect upon their organisations. It would be possible to view their plea more sympathetically had the fraternal organisations always been run upon a basis that was actuarially sound, and had they not occasionally disappointed their members. Efforts have been made within recent years by a number of them to place themselves upon a sound footing where such had not previously been obtained. But even so, the fact remains that it is better for a man to be protected by a life policy in an old-line insurance organisation than in any other way.

This goes to the root of the matter. The fraternalists are scared that the life insurance companies with their great assets and prestige will be able to gather in by regiments, workingmen who might otherwise be blandished one by one into joining a fraternal order. Nobody supposes that, under this new provision some of the life companies will try the experiment of raiding the fraternalists' rank and re-insuring whole lodges of discontented members or even whole orders. There may be here and there an occasional lodge where the conditions which enable a group insurance to be issued rule but they must be very rare. Group insurance has its field rather in industry—the employees of a single industrial establishment, subject substantially to the same hazard, and everyone of whom is in such physical condition as to warrant his continuous employment, being insured *en masse*.

BANK OF TORONTO'S NEW HAMILTON BRANCH.

The Bank of Toronto opened a branch in the city of Hamilton, on Monday, in its building at 37 James Street south. This building, which is in the centre of the business and financial district of the city, has been entirely remodelled and handsomely equipped for this new office of the Bank. The branch is under the management of Mr. John Stephen, who has had extensive banking experience at Toronto and Vancouver, and also at Hamilton, to which city he now returns.

QUEER METHODS OF STATE INSURANCE FUND.

Wisconsin runs a State Fire Insurance Fund, and its annual report is now out. The methods of the Fund are singular. The Fund is now insuring State and country property to the extent of over \$18,400,000, and its premium income last year was \$69,608. This indicates an average rate of about 38 cents per \$100 of insurance, against an average rate of \$1.11 collected by the stock companies in Wisconsin in 1912. Although the companies are not allowed credit for any premiums more than three months due, the State Fund takes credit for premiums in course of collection amounting to \$73,330 or a sum in excess of the entire year's premiums. The surplus shown for the Fund, after credit is allowed for all outstanding premiums, was \$103,909, but this surplus, it is pointed out by the *New York Spectator*, has probably been nearly obliterated by the recent Superior Normal School fire, upon which the insurance loss is estimated to be \$94,500. The State Fund is insuring a number of properties whose valuation is well up in the hundreds of thousands, and even in the millions, while its cash in hand (its only stated asset except outstanding premiums) aggregated but \$143,521 on January 1, 1914.

87 PER CENT. LOSS RATIO.

Thus far the premium receipts of the Fund have amounted to \$357,070, while its losses (including that on the Normal School, \$94,500, and \$197,822 on the State Capitol) have aggregated \$310,345, or about 87 per cent. of the premiums. The writing of risks to such a great extent with so small an amount of assets would not be tolerated by law on the part of stock companies, even though they had many times as much assets as has the States Fund; in fact, in most States the companies are forbidden to write a single risk in excess of 10 per cent. of the amount of capital and surplus. It is apparent that another heavy loss, such as that of the Normal School, would result in producing an excess of losses over premium income for the Fund, through its whole period of existence; and there is no guarantee that there may not be several such losses this year.

These facts speak for themselves; and they are not flattering to those who are running the Fund.

FOREST FIRE PREVENTION.

At the recent Vancouver conference of the Western Forestry and Conservation Association, a paper by Mr. H. T. Graves, chief forester of the United States, stated that fires could be extinguished both in normal and in dry seasons by making adequate preparations and having an adequate staff. He urged the fullest co-operation between federal and state authorities and private owners.

In the discussion which followed, the lumbermen were generally favourable to the fullest co-operation. Throughout there was a strong testimony to the efficacy of oil-burning engines in preventing the setting of fires. Equally strong was the condemnation of smoking in the woods by employees, and several of the leading operators held that it would be just as easy to prohibit smoking in the bush as it was in the coal mines.