Many firms were saved in the panic of 1907 by their ability to secure loans on business insurance policies when all other sources had failed. Many a note coming due was paid off, payrolls were met, bills contracted for materials were paid. It furnishes a sinking fund for the replacement of plant or machinery, and for general emergencies. It guarantees the funds necessary to meet the development of the business on a specified date in the future and takes the place of new capital, thereby figuring as an increased asset instead of an increased liability. It provides an ideal method of creating a sinking fund timed to meet an issue of bonds at the date of maturity.

The growing value to large corporations of business insurance is demonstrated by the growing number who carry it in adequate amounts on the lives of their officers, managers or experts. In partnerships it protects the interest of the family of a deceased member, and at the same time allows the survivor to buy out his partner's interest in the business if the partner's administrators decide to sell.

FOREIGN COURAGE IN U. S. FIRE INSURANCE FIELD.

In commenting last week upon figures of fire insurance companies which do business in both Canada and the United States, we pointed out that the latter country does not appear to be to fire companies, relatively to its importance and the extent of the business transacted, a very profitable field. Unexpectedly, we find strongly corroborative evidence of this fact in statistics now published by the Insurance Age of New York, relative to the business of 40 foreign fire insurance companies in the United States, since their entry into that field. The figures are as follows:—

U. S. Assets	$ 117,450,572
Risks in force	11,453,974,239
Income since entry	1,394,039,909
Expenditures since entry	1,150,200,781
Premiums since entry	1,217,625,481
Losses paid since entry	766,262,165

There are two points about these figures to which attention may be drawn. The fire risks of these foreign companies outstanding are well on towards half of the whole amount in force in the United States, and there is only a small margin between their income and expenditures.

"Some fanatics," observes the Insurance Age, "have been pleased to term the great showing made by the foreign companies as an 'invasion,' as though these companies were assuming the prerogatives which rightly belong to American fire insurance companies. How vague and futile any attempt to prove this assertion has been, it is hardly necessary to state. American capital has not been attracted to fire insurance on account of the great hazard necessarily involved, and the unfavorable conditions which have surrounded fire insurance for many years. Fire insurance is governed by the laws of supply and demand, but we consider it a plucky and enterprising thing for these great exotics, that they have braved the perils inherent in the business, and that so many of them have stuck to the business for so long a time with apparently so little profit."

The opinion is expressed by the Age that large hope may be held out to the foreign fire insurance companies as to the betterment of their condition in the future. It is true, proceeds the New York writer, that the laws in many of the States have menaced the welfare of fire assurance, that the conditions surrounding building construction have not been favorable, that it has taken a long time to overcome the natural prejudice existing against outside concerns, and, that altogether, it has required a quality no less than heroism for the home offices to maintain their branches in the United States. There is every prospect, however, of more favorable laws; and everything is being done which the insurance companies can accomplish, to bring about a better condition of building construction, upon which largely rests the question of fire loss. In all these regards the foreign companies are working shoulder to shoulder with the great American companies, and are in complete harmony with all that is best in fire underwriting practices in the United States.

In risking their resources in such a hazardous business, the Age writer concludes, the foreign companies have undertaken a great deal. It is no more than right that they should expect a fair return upon the capital invested—even a greater return than many of them have so far realized. Were the history of the past twenty-five years to be gone through it would be found that some twenty-five or more important companies have come to the United States only to be burnt out and driven away by conditions which they found intolerable. The courage of those which remain, and which constantly hope for better things, is to be highly commended.

NEW YORK'S COMPULSORY COMPENSATION LAW.

An Unconstitutional Enactment—A Taking of Property without Due Process of Law.

In another column reference is made by our New York correspondent to the declaration by the New York State Court of Appeals that the Compulsory Compensation Law passed by the Legislature last year is unconstitutional. At the time of its passage, the character and the leading features of this bill were described in our columns, with the drastic measures which it was necessary for underwriters to take in order to put rates upon a basis that was at all commensurate with the increased risk. It may be said that the law was modelled on the English Workmen's Compensation Act of 1897, which has since been extended to cover every kind of occupational injury. It was enacted as a result of the work of the Wainwright commission, appointed in 1909 to investigate the working of the law relative to the liability of employers for industrial accidents. The main feature of the act was that it required employers of labor in certain occupations, such as bridge building, operation of elevators, work on scaffolds, work on electric wires, working with explosives, on railroads, tunnels, and work carried on under compressed air, all of which are declared dangerous occupations, to compensate their employes for any injury occurring in the course of the work, although such injury occurred solely through the negligence of the workman.

The rule which prevailed in New York State before the enactment of the statute was that the employer of labor in any occupation was not liable for accidents or injuries to his workmen unless they were due to some fault or negligence on the part of the employer, and at the same time the workman