

MUNICIPAL SELF-INSURANCE AGAIN.

The municipal self-insurance idea has now cropped up in South Africa. It is fathered, we learn from our Cape Town contemporary, *Insurance*, by the Town Treasurer of Pietermaritzburg, Natal, whose ideas on the subject are certainly not small. He proposes the establishment of a South African Municipal Insurance Fund, with the following objects:—(a) Fire insurance of municipal properties; (b) of co-operating in such a scheme, if mutually desired, with the Union and Provincial Governments; (c) workmen's compensation, fidelity, live stock, etc., insurance for municipalities; (d) extending "at the earliest date" the scope of the fund to include private fire risks throughout the Union!

The Town Treasurer, it seems, has the wisdom not to go into details—he is content to sketch the scheme in very broad outline. The only practical suggestions he makes are that administration would be carried out by one of the large municipalities to be selected and that the principle must be adhered to of the rates for each town being dependent on that town's experience. *Insurance* remarks that the only possibility of sustained success in any such scheme appears to be found in comparatively small lines spread over a vast extent, efficient management and a sufficient premium income collected on a principle of equitable rating. As regards the spreading of risks, *Insurance* notes that in Johannesburg, the municipal authorities are insured for over one and a half million pounds sterling, and of this amount over one million one hundred and fifty thousand pounds is represented by six risks. As to the initial establishment of the proposed Fund, observes *Insurance*, unless the ratepayers of the Municipalities are laid under heavy tribute for such a purpose, it is difficult to see how the Fund can be originated. Without such tribute, all Municipal property would be under pledge to carry out the obligations of the scheme on some sort of assessment principle. Even were the necessary powers obtained from Parliament, are the ratepayers likely to appreciate such a position? For in the event—the ever-present and by no means improbable contingency—of a heavy loss or a series of losses, the position of the ratepayers would be far from enviable.

As regards that part of the scheme referring to the insurance of all kinds of risks, *Insurance* regards it as too ridiculous to entertain seriously:—"It can only be based on the old fallacies that the insurance companies make unfair profits and that municipal authorities can work the business more economically, serve the citizens better and appropriate profits for the benefit of the community as a whole. Lean years are never to be in evidence. Utopia, in the shape of big profits, is to be the everlasting law."

It may be anticipated with some confidence that this scheme is not likely to make greater headway than a multitude of the schemes of a similar character which have died a premature and unlamented death in various parts of the world.

It is for all who cannot go to the Front to put forth every effort to increase the wealth of the country and increase production, because this war will be won by superior resources.—Hon. W. T. White.

Thirty Years Ago.

(Extracts from *The Chronicle* of November, 1885).

LYNCH LAW FOR INCENDIARIES.

Kingston, Ont., has been suffering from an epidemic of incendiarism. On one night recently four attempts to burn business premises were discovered, and a few nights subsequently three attempts were made. A special night patrol has been appointed to look after these ruffians. Catch them at any cost and apply Lynch Law.

RUNNING WITH THE HARE AND HUNTING WITH THE HOUNDS.

The following editorial comment refers to a question which was then the cause of considerable agitation in local fire insurance circles:—

"As was natural and proper, the C.F.U.A. unanimously condemned the preposterous contradiction of one agent representing both a tariff and a non-tariff office, and issued a mandate that such a condition of affairs should cease by a fixed date, "anything to the contrary notwithstanding." There is something "too utterly utter" in the supposition that an agent can be a staunch member of a tariff association while he at the same time places risks below that Association's rates and contrary to its rules. It may be æsthetic, but it certainly is not business, and we are glad the C.F.U.A. could come to no other conclusion."

HOT ON HOPPER.

The older generation of life insurance men will remember the Mutual Reserve Fund mentioned in the following quotation as a notorious assessment concern:—

"So Major Hopper, general agent of the Mutual Reserve Fund Life Association, has hopped at last. Rumor has it that when he first came to Canada he did so because it was for the benefit of his health to come to a colder climate as the atmosphere south of the line had become too hot for him. It is very curious how climates do change in a few years, but the gallant major now finds it unpleasantly warm in Canada, and thinks the more genial climate of Boston will suit him better, and he has accordingly taken up his residence at that City, as general agent for the States of Massachusetts and Maine for the Mutual Reserve Fund Life Association of N.Y."

THE RIGHT SPIRIT.

From a small town in Saskatchewan, THE CHRONICLE has this week received a draft sent by a former reader in payment of his subscription for two years, ending 1906. A letter accompanying the draft, explained that the sender, who was formerly an insurance agent, had suffered heavy family losses, had consequently become financially embarrassed, and had had a severe struggle since, "but haven't forgotten my obligations to those who were good enough to trust me."

An experience of this kind is refreshing. We congratulate our Saskatchewan friend on his high sense of honor and hope that the evident courage with which he has met adversity will now be rewarded by a steady improvement in his material fortune.