

EXPERIENCE WITH PAYMENTS ON BONDS.

In its useful annual government and municipal review, the Financial Post presents the views of several leading life insurance executives in regard to their recent experience with municipal bond investments. Mr. George Wegenast, managing director of the Mutual Life of Canada, states that the Company's experience so far as payments are concerned, has been most satisfactory. No default has occurred except in the case of a few Western school debentures for small amounts. It is not an uncommon occurrence to be asked for an extension of time for payment of the coupons on such debentures, though the supervision now given by the western provincial governments over such investments has brought about a great improvement in this regard.

Col. W. C. Macdonald, of the Confederation Life, states that his Company's experience in this connection during the past year has been satisfactory, though some Western school districts asked for an extension of time. This is due, says Col. Macdonald, to lack of business care and attention and sometimes to an absence of proper co-operation between the municipal and school authorities. Improvement, however, is constantly taking place and there is absolutely no question as to the security of both principal and interest. Col. Macdonald also expresses the opinion that expenditures for patriotic purposes should be met from the current year's levy and under any circumstances debentures should not be issued for such expenditures extending over a period from three to at the most five years. The postponement of obligations incurred for such purposes for a longer period of time would not reflect favorably upon the credit of the municipalities.

Mr. E. M. Saunders, treasurer of the Canada Life, states that out of holdings of 647 issues, his company has only five delinquents represented by two western towns and three Western school districts. Mr. Saunders states that the Western provincial authorities who have supervision over local borrowings are doing good work in keeping supervision over expenditures and in seeing that obligations are met promptly.

LIGHT-WEIGHT AUTOMOBILES IN FIRE SERVICE.

A writer in the New York Spectator calls attention to the possibilities of the use of light-weight automobiles in the fire service of small communities. He comes to the conclusion that there is a wide field for the light-weight fire apparatus made up on the chassis of many of the cheaper makes of pleasure or commercial automobiles on the market, but that, to be of real dependability for fire service, rigid adherence to maximum loading must be observed. Otherwise there will be broken springs and axles or strained parts in the frame.

Private John Hilton, whose name appears in this week's casualty lists as wounded, is a son of Mr. Frank Hilton, formerly connected in a legal capacity with the North American Life of Toronto and now general manager of the American Central Life Assurance Company of Michigan.

BETTER AND SAFER SCHOOL BUILDINGS.

The question of better school buildings is, of course, dependent upon the views of those who have charge of their erection, as to their desirability as well as upon the amount of funds at their command for use in their buildings. It can be shown conclusively that it will be cheaper in the end to erect school buildings of a better class, to say nothing of their safety. The difference in the cost will be overbalanced in a few years by the smaller depreciation and less call for repairs on the building, as well as the saving in insurance premiums.

The question of safer school buildings is of very great importance, and one that cannot be overlooked if school authorities are to come up to the full measure of their duty in safeguarding the children committed to them. There are two divisions of the work: (1) one the erection of safe buildings and the other (2) the making of such changes in the buildings already erected and in use as will render them safe for occupancy. The erection of safer buildings will, of course, only come up as new buildings are proposed, but the making of the present buildings safe calls for prompt action in every school district.

The use of "double-tower stairways" is practicable not only in the erection of new buildings but in making present buildings safe. School buildings can be made safe at small cost by cutting out all stairways and openings between the different floors and the erection of tower stairways modeled after the plan of the tower fire-escape.

"Double-tower stairways" can be attached not only to brick buildings, making them safe for the children on the upper floors, but also to frame buildings, making them absolutely safe for the children on the second floor. The reason for this is they do away with the "smoke panic" as well as the "rapidly spreading fire," by cutting out all inside stairways and openings between the different floors.

The use of tower stairways does not add to but lessens the cost of school buildings and is an additional reason for their use.—Hon. J. R. Young.

LIQUIDATION OF INSURANCE COMPANIES.

The present Insurance Act, comments Superintendent Finlayson in his annual report contains no provision by which the business of a company believed to be unsafe can be re-insured, by or at the request of the Department. The Department's power is at present limited to the cancellation of the company's license, and as such a course is usually followed by liquidation, and as the present Winding-up Act is not designed to facilitate the re-insurance of a company's business, but contemplates rather the distribution of its assets among the creditors, loss occurs by reason of the dissipation of any value attached to the goodwill and organization of the company.

In view of this, says Mr. Finlayson, it is urgently necessary that the Act be amended to provide that the Department may fix a time within which the business of a company deemed unsafe shall be re-insured, and that failing such re-insurance within the time specified the company may be re-insured or liquidated by the Department. Such a provision would in the past have resulted in material savings for the policyholders of insolvent companies.