

Propositions are made for the formation of local insurance companies in Winnipeg to insure at low rates. The *Argus* accuses "our neighbors in Winnipeg of frequently crossing the border and supporting underground companies having no Canadian deposit."

Underground supports frequently give way, and local companies having wooden towns as their back bone run special hazard of being scorched out of existence, and leaving but little more to the insurers than the satisfaction of having paid lower rates than the just value estimated by substantial Insurance Companies.

Winnipeg citizens are said to have agreed to take policies to the amount of \$90,000 in a new Mutual Fire Insurance Co. "Very likely," says the *Chicago Investigator*. "It is easy enough for anybody to take policies; paying them is where the music comes in."

A new edition of "the Book of Fire Insurance Policy Forms and Policy Writing," by C. C. Hine, has been issued from the *Insurance Monitor* press; and, whether underwriters possess the old edition or not, this enlarged one should be part of their library.

In this connection, INSURANCE SOCIETY would be pleased to furnish any of its readers in the Dominion with catalogues of the *Monitor's* publications, and will obtain any of the works wished for, saving the trouble and expense of each work being received separately.

For a small sum several works could easily be obtained, which should be at the right hand of every agent in the country, and the possession and constant use of which would prove of inestimable value to the owner, and the knowledge and suggestions obtained would from time to time assist him materially and benefit Insurance Society by teaching him how to inculcate true and prosperous methods of underwriting.

"HIS OWN EXECUTOR."

We lately saw the above *nom de plume* in a list of contributors to a benevolent institution, and it set us thinking. How much more sensible it would be if our men of wealth, and others too, would be "their own executors," and wind up their own estates. It would be much more satisfactory to the man himself, and would prevent quarrels and law suits after his death. The objection is that he wishes to enjoy his money while he lives, as he needs the interest on it. But he can buy an annuity for the remainder of his life for a small sum, and can distribute the balance, or as much of it as he desires, to those he wishes to benefit. This idea can be worked out with great advantage to many. We know a lady for instance who lives in this very city. She had some money invested in good stock, but could not live on the interest. The thought that she was gradually exhausting the principal was wearing out her life. A friend induced her to buy an annuity, and she is now comfortably off and free from care. So far comparatively little has been done in this line in Canada, and that by about three companies only, the Sun, Confederation and Equitable. The prospects are, however, that it will gradually grow to much larger proportions.

INSURANCE SUPERVISION IN CANADA.

We have by no means as strong views as some people regarding either the necessity or the desirability of Insurance supervision. The objects of those who desire it are two-fold: first, the securing for the public of full and accurate information regarding the financial position of the different companies; and, second, the preventing of any of them which may be unworthy of confidence from doing business. Both objects are very desirable, but the second has rarely worked well in practice, whatever it may be theoretically. In the United States much harm has been done by the attempt to carry it out arbitrarily. Weak and dishonest life companies have, largely by means of the endorsement of insurance departments, been able to carry on their business of defrauding the public, while companies which were really solvent have been thrown into the hands of receivers, and had their assets largely swallowed up in law-costs and fees. Perhaps the English plan has about as few defects as any. The companies are compelled to return yearly to the Board of Trade the particulars of their business according to a prescribed form, but there is no attempt at supervision. Neither is there any artificial standard of solvency. The public are supplied with information and are expected to judge for themselves. As a consequence, the failures among British life companies have been practically almost nil since the law went fairly into operation, say ten years ago. And it was during that ten years that nearly all the disastrous failures in the United States happened.

Of all forms of supervision, however, that in Canada has probably worked best, for the simple reason that the department has acted more in accordance with English than with American ideas. It has wisely refrained from interfering unduly with the business of the companies, contenting itself with securing and publishing full information regarding their financial standing. It has rendered very valuable service, indeed, in this way, but we think there are points on which an improvement can still be made. In some cases there does not seem to be a strict uniformity of ruling, and in others items are admitted into the accounts which should not be. We will refer to the Blue Book last issued.

Why should one company be allowed to include "Commuted Commissions" as an asset, when others are not allowed to do so. We do not think this is an asset which should be included at all, but if the department thinks otherwise there will probably be such items in the accounts of several of the companies next year. All pay about the same amount, probably, in proportion to their business for the purpose of commuting future commission, and the same rule should be applied to all, not one to this company and another to that.

We notice, too, that the company just referred to includes as "Cash received for premiums" \$5,661 which the same statement calls in another place, "Premiums due and uncollected," and \$10,010 which are not only not yet collected but are *not yet due*!! "Their Premium income" does not represent the premiums paid, but all the premiums which *should* be paid to complete the policy year. Many of these will of course never be paid. Strangely enough, the superintendent takes exception to the "Premiums for which notes have been given," saying, "These premiums, having not yet