

positive assurance for the first five or seven years. The "England" proposes to remedy this disadvantage, by charging for an endowment policy payable at 60 what is practically a double premium for the first seven years, the premium to be reduced by 50 per cent. at the expiration of that term. The company appears to be protecting itself as far as possible from excessive mortality, by searching enquiries into personal and family history at the outset. It is not clear, however, that either of these precautions will suffice to prevent the company from feeling the effects of the non-selection of lives. I should also be somewhat surprised to see any considerable number of the public willing to heavily mulct themselves by the payment of a double premium for a term of years merely for the sake of avoiding a medical examination.

A NOVEL RISK

was recently offered at Lloyd's. The "Viking," a ship built in Norway on the model of the old vessels, in which the old Vikings used to harass their neighbors in the Northern Seas, is intended for the Chicago Exposition. She will be probably towed across the Atlantic, and not be impelled by sweeps, as some declare. The old-fashioned propellers will, however, be all aboard. It is said that a "good few" of the Lloyd's underwriters have subscribed for this "sporting" risk. It is to be hoped that they will not suffer any loss.

THE VALUATION RATE OF INTEREST,

respecting which a great deal of discussion has lately taken place, has been the subject of comment on the part of Mr. Harris Saunders, actuary of the Sun Life office. The last valuation report of the Sun has just been issued, and Mr. Saunders takes occasion to defend his action in assuming the rate of $3\frac{1}{2}$ per cent. for his calculations, on the ground that as the office has earned the very creditable rate of $4\frac{1}{2}$ per cent. on its investments, there is an ample margin of safety in taking the rate for valuation purposes of $3\frac{1}{2}$ per cent. He says what many others have said—you included—that to reduce the rate of interest to $2\frac{1}{2}$ or 3 per cent. under such circumstances would be to deprive the present policyholders of benefits to which they are undoubtedly entitled for the purpose of enriching the future generation of policyholders. The sinners in the direction of reducing the rate of interest have been mainly proprietary companies hitherto. I do not see how a mutual company can conscientiously follow such an example.

LONDON, Feb. 21, 1893.

VIGILANCE.

LETTER FROM TORONTO.

Editor INSURANCE AND FINANCE CHRONICLE:—

On every side you hear the same story, viz., that insurance business has been exceedingly dull in Toronto this year. Now, I don't repeat this in a pessimistic spirit, but rather as an encouragement to those in the profession who continually imagine that someone else is getting all the big fish, while they are simply securing a few minnows.

By the way, I notice that a leading New York insurance journal says: "Why is it that the general agents of the Mutual Reserve, who won prizes for large writings last year, were all, or nearly all, foreign agents? Is it no longer possible for general agents in this country, the home of the Mutual Reserve, to write big business?" Perhaps the reason is that agents in the United States don't represent the assessment plan of the Mutual Reserve to be the life plan, to year distribution, at 50 per cent. of the charge made by old line companies, as it is alleged they do here in Canada.

Mr. Blackader, Actuary of the Insurance Department at Ottawa has been in town for some days, and it is understood is on his annual tour of inspection. I am pleased to learn and record the fact that he is very much respected by all the officers of the companies, not only for his correctness, but also for the ability and strict impartiality he has shown in his examinations.

That old war-horse, R. H. Jarvis, is now representing the Canada Life, and reported as doing a good business. Mr. Cox has the faculty of surrounding himself with good men, and I sincerely hope that tried Jarvis will prove no exception to the rule. Mr. J. H. Brock, managing director of the Great West Life of Winnipeg, is visiting here on his

way home. He reports that arrangements made are so far satisfactory. All with the company every success.

When in London lately, I was glad to learn from Mr. McKelvey that his differences with the Merritts of the Mutual Life had been satisfactorily adjusted, and that he was again working for that excellent company. He says business so far, this year, has been quiet but the outlook in the West is encouraging.

Mr. R. B. Hungerford of the North American expressed the same opinion respecting business, and in addition said he had been appointed by his company as chief inspector for Ontario west of Toronto; an excellent appointment this, especially as I learn that Mr. H. has been connected with his company for 12 years, and therefore earned the promotion.

That insurance men, as a whole, are hard to beat at almost any thing is evidenced by the late curling match here, between representatives of insurance and the banks. The former just doubled up the latter by 44 to 22.

What is the meaning of the Banking & Commerce Committee at Ottawa, in passing a bill to incorporate the Association entitled the "Woodmen of the World," with an amendment to provide that the Society must have received 300 applications for insurance of not less than \$1,000 each before it can issue any policy? This bears all the earmarks of an assessment fake scheme. I should like to hear an explanation of the matter, as it appears to have been rushed through without any opposition, and no one here knows who is "fathering" the scheme.

When a company is compelled to contest a claim, its opponents are apt to use the fact to the disadvantage of the company concerned. It is therefore only just to give the widest possible circulation as to the result of a recent suit. I refer to the case of the Manufacturers' Life vs. Gordon, which involved the cancellation of a \$5,000 policy on the life of the deceased, in consequence of non-payment of note when due. At Ottawa a verdict was rendered against the company, but on appeal here the full court unanimously reversed the previous decision. This is a most important case, as the company sued on the note and obtained judgment against Gordon during his lifetime, and it was mainly on this contention the defendants hoped to succeed, but the full court held the contract to be null and void. The Manufacturers' is to be congratulated on having won this case, as it will doubtless have a good influence on similar claimants in the future.

Mr. J. B. Boastead, who has represented the Phoenix Fire here for some years, has resigned, and Mr. Hart thereupon made Mr. Butt chief agent for the company. This is gratifying to Mr. Butt, who in the short time he has represented the Phoenix has put in a lot of hard work and gotten together the nucleus of a very nice business. Mr. Moberly, inspector of the Northern, was in the city last week, and reports losses as heavy this year. He says that notwithstanding the cold weather we have had, the fire insurance companies have been having a "hot time" of it.

Mr. Gale, inspector of the Mercantile of Waterloo, recently paid a flying visit to the city. This gentleman is creating a very favorable impression wherever he goes. Our old friend Lockie made a good appointment when he induced Mr. Gale of Elora to go on the road for him, and I have pleasure in tendering him my congratulations thereon.

The most important points for consideration of the Board of Fire Underwriters are the same old troubles, viz., cutting of rates and making everyone who can control a little business an "agent." Surely President Thompson and Vice-President Pearson should be able to define to the satisfaction of the Board who is entitled to act as agent, and the sooner this is clearly understood the better for all concerned. The largest fire here for some time past was on the copper works at New Toronto, insurance \$15,000, total loss, and it had only been carried about a week.

Arrangements are being made to erect here a new fire hall, and there is to be no expense spared to make this the finest and best equipped fire hall on this continent. It is worth noting that since Mr. Anshutz has been chief of the fire brigade, no fire has occurred in which the firemen were not able to confine it to the one building. All underwriters respond by saying, "As it was, is now, and may it so ever be."

P. B. P.

TORONTO, March 13, 1893.