

WAR EXPERIENCE OF CANADIAN LIFE COMPANIES.

The American life companies are at the present time considerably interested in the problem of possible mortality when an American Army of respectable size arrives on the Western front. In this connection the following apropos observations by Canadian actuaries are being quoted:—

Arthur B. Wood, Actuary, Sun Life of Canada:

"For service outside of the United States we are at present charging an extra of 10 per cent. (\$100 per \$1,000) on policies up to \$2,500, 12½ per cent. (\$125 per \$1,000) from that up to \$5,000, and 15 per cent. (\$150 per \$1,000) on larger amounts.

"I estimate that, taking all services combined, the death rate among those in active service will not be less than 10 per cent., and in the infantry it may run even to 20 per cent. or higher. The extra premiums which we are charging now are in our judgment not too heavy, and we doubt if they will be sufficient."

M. P. Langstaff, Actuary, Dominion Life:

"We have made no calculations as to the amounts involved in this way, but so far have found our mortality increased by about 40 per cent."

W. A. P. Wood, Actuary, Canada Life:

"As far as we have been advised we believe there are about 2½ per cent. of our policyholders on active service in Europe.

"The effect of the war on our mortality may be shown from the following:

"During 1915 the total death claims of this company, including war claims, were 72.9 per cent. of the expected, and excluding war claims were 60.4 per cent. In 1916 the actual death claims, including war claims, amounted to 81.9 per cent. of the expected, and excluding war claims amounted only to 55.2 per cent. of the expected."

G. Cecil Moore, Actuary, Imperial Life:

"The war clause which we have placed on our policies since the first of January, 1915, provides for an un-named extra, and the extra we have been charging is at the rate of \$150 per \$1,000, payable yearly during the continuance of active service.

"The mortality rate in the British-Boer War, the Russian-Japanese War, the Franco-Prussian War, and the American Civil War, was between 9 per cent. and 10 per cent. yearly. About half of this rate was due to sickness, which has been largely eliminated in the present war. On the other hand, the destructiveness of modern weapons has greatly increased, and we feel that the rate of \$150 per \$1,000 yearly is not too much. In fact, we believe the experience of British offices has shown that the rate is too small for officers and probably slightly higher than is necessary for privates."

J. B. McKechnie, General Manager, Manufacturers' Life:

"We have not been able to make a complete tabulation of the amount at risk at the front, but we are aware it is considerable. The extra charge at present is an annual one of 15 per cent. (\$150 per \$1,000), and from experience at the present time this does not appear to be excessive."

Lieut.-Colonel Bartlett McLennan, D.S.O., and Mr. William McMaster have been elected directors of the Royal Trust Company.

A CANADIAN TRADE CORPORATION.

Reference was made in these columns some weeks ago, to the establishment of the British Trade Corporation, the object of which is the development of the trade and industry of the British Empire in every part of the world. A Senate committee has now recommended the Government to afford aid to a similar Canadian venture. Senator Nichols, in a recent reference to the report, stated that he was impressed with the necessity of an organisation which should in some manner prepare for conditions after the war, when activities in connection with munitions' making, etc., will come to an end." In fact, said the Senator, "I have myself taken a somewhat active part in getting a number of leading gentlemen, whose names I do not at this stage wish to mention, but who are at the head of some of our greatest institutions, who are willing, if such a proposal is found advisable, to aid the Government and the country, not only with their services, but also with their capital and the capital of the institutions they represent."

The possibilities opened up by this development are distinctly interesting. Whether it eventually comes to anything will probably depend upon the willingness of leading business men to get together in support of such an organisation as that proposed. The bankers and transportation companies, as well as industrial organisations, would need to be interested in such a development, and while a Government subsidy, or financial support of some kind, would probably be essential, it is equally necessary that the active management should remain in the hands of practical and energetic business men. A sort of semi-official organisation, run in the easy-going manner of a Government department, would be no good at all. Presumably, the functions of such an institution would be two-fold, that of securing information as to possible markets for Canadian products, and developing those markets, and handling the financial and banking operations necessary for their supply, thus supplementing the service at present rendered by the existing banking institutions.

ANY CANADIANS IN THIS?

The Insurance Exchange of the National Retail Dry Goods Association, whose chaotic condition was referred to in our issue of July 20, has now gone into the hands of a receiver. The principal backers of the concern were the officers of a state bank at Chicago, which has failed. Its funds were supposed to be on deposit with the bank, but the books of the bank show nothing to its credit. The concern's affairs are in a chaotic condition, and an assessment will have to be levied to meet its unpaid losses.

We wonder what proportion of the \$262,803,882 of good Canadian business reported to the Department at Ottawa as being placed with unlicensed Companies was with this inter-insurance exchange, or how many other concerns with equally impressive titles may be in the same condition as the I. E. N. R. D. G. A. Who knows? The Superintendent of Insurance doesn't.

The Monarch Life's total production for the first seven months of this year shows an increase of 60 per cent. over the corresponding period last year.