INSURANCE

ASSESSMENT INSURANCE.

The Winnipeg Free Press of recent date, gave publicity to a most remarkable editorial article headed, "Assessment Insurance." This article was quite in keeping with editorial "puffs" which appeared in the Free Press and other Winnipeg papers a short time ago, eulogizing the Mutual Reserve Fund Life, which latter articles would prove very soothing to the unfortunate policy holders of the concern just mentioned. The said policy holders, from bitter experience, evidently know a good deal more about life insurance than the writers of the articles referred to. This latest effort of the Free Press, in discussing insurance matters, can only serve two purposes, namely: to mislead the superficial mind, and show how much the writer of the article in question does not know about life insurance. An illustration of the great wisdom of the Free Press in insurance knowledge is shown by its taking the Mutual Reserve fund as an example from which to prove the soundness of the assessment principle. Here again, the policy holders of the concern, who have tasted of the sweets of "successful" assessment assurance, will no doubt acknowledge that the Free Press speaks with authority on such matters. It is a great pity that the editor, who writes with such feigned familiarity about insurance questions, is not a member of the fifteen-year class of Mutual Reserve Fund policy holders, so many of whom have been frozen out by the enormous increase in their assessments. And yet these very members are assured in an official circular issued by the association, that they have not been called upon to pay one dollar over cost of insurance in their department. What a gratifying success! What an illustrious example this is, which leads the Free Press to pin its faith to the principle of assessment insurance.

The Free Press writer thinks that parliamentary regulations might be made in the direction of providing for the regulation of assessment companies, which would give the insurer a reasonable guarantee as to security. He further suggests that at the same time parliament might do something toward lowering the rates of the regular line companies, which, he adds, "are admittedly too high." Here again the Free Press speaks with authority. It is most peculiar however, that a number of the strongest and best life insurance companies doing business in Canada have been obliged to advance their rates within a year, owing to the decrease in interest earning power of their investments.

An essential difference between assessment insurance and old line or regular insurance, that is entirely overlooked by the Free Press and other superficial observers of insurance is, that in all assessment insurance there is no surrender value. If the policy holder neglects payment of one premium, he is in the same position as the holder of a fire policy. In an old line company the policy holder would be entitled to the value of the reserve in paid up or extended insurance, or in cash if he desired it. It ought not to be above the grasp of ordinary intelligence that a premium is not necessarily a higher one because, in addition to providing the temporary cost of the insurance, it also provides a reserve that serves as a guarantee against the increase in rate. It is undoubtedly true that the majority of people do not appreciate this distinction, or pretend not to appreciate it until action is taken to increase the rate, as has occurred recently in the Mutual Reserve and a number of other associations of the same class. Then the insured set up a mutual howl because they have not got something which they were not willing to pay for.

It is to such absurd editorials as that referred to in the Free Press that a large proportion of the blame must attach, for the disasters of assessment insurance, as the editor is assumed by the general public to know something about subjects upon which he writes. If parliament does take the step advocated by the Free Press, the assessment societies will simply be legislated out of existence, as the requirements advocated by that journal would constitute these assessment societies regular old line companies. The only distinction between the two is that the old line companies put up a reserve to guarantee that their premiums will not increase beyond the amount specified in the policy, while the assessment societies claim that the certificate-holders carry this reserve in their pockets to be put up when required. The universal refusal of the certificate-holders to put up this reserve when it is wanted is the rock upon which these societies have struck, as the certificate-holders, when they have to pay sufficient premium to give them guaranteed rates, prefer to have their insurance with a company that is compelled by law to hold a reserve sufficient for an effectual guarantee.

If such journals as the Free Press would simply quote the words of the superintendent of insurance without adding their own comments, the general public would be more correctly informed, as will appear when we quote from the Free Press the following: "Objection was taken to the bill, (introduced in parliament at Ottawa to incorporate an assessment society,) by the superintendent of insurance upon the ground that the rates charged by the society to its members were insufficient, and that insolvency would sooner or later be the inevitable result."

The Rat Portage Fire.

The following report of insurances and losses in the Rat Portage fire has been received: The Hilliard Opera house, loss $25,000, insurance $15,500; Royal, $1,000; Hartford, $200; Union, $1,000; Scottish Union and National, $3,000; North British and Mercantile, $1,500; London and Lancashire, $3,000; Atlas, $200; Canadian, $200. Rodgers' general store, loss $13,000, insurance, Hartford, $3,500; Mercantile, $1,000. Drewry's block, of three stores, loss $8,000; insurance $3,000. The Harrington building, loss $3,000; insurance $700; Brown, taxidermist, loss $1,000; no insurance. Jas. Courtenay, liquors, loss $2,000; no insurance. Belyea & McKenzie, loss on building, $1,200; insurance, London and Lancashire, $800. Mrs. Sharpe's dwelling, loss $1,200; insurance, Royal, $700. The Golden restaurant, loss $1,000; no insurance. D. H. Currie, insurance agent and town assessor and collector, loss $1,000.

Kobold's warehouse was saved.

Hides, Wool, etc.

The third series of wool sales at London closed with prices firm. Competition was keen throughout and good prices were realized.

The new United States tariff admits calfskins free of duty. Skins under 25 lbs. green weight were admitted free, but owing to the importation of light cow hides, by close trimming to bring them under weight, a change has been made in the tariff, reducing the weight for free importation to 12 pounds green, and 11 pounds green salted or 7 1-2 pounds dry salted. This is causing an easier feeling for calfskins.

The Boston wool market shows a firmer tone for fleeces which will grade about half blood. These wools are wanted for army goods, and this demand has also started other users of these grades. The price of half blood unwashed is 21c at Boston, equal to about 8c here, freight and duty allowed for.

Grocery Trade Notes.

The tobacco market in the United States has been excited of late by reports of a union of manufacturers who are outside the tobacco trust.

The China and Japan war and the famine in India have been two of the principal agents responsible for the high price of rice at the moment. Both in the bearing each had upon consumption without corresponding production.

A Toronto report says: A feature of the local market is the strong position of rice. Local wholesale houses are unable to get full supplies owing to the scarcity at Montreal, and the London and New York markets are in about the same position. It will be the middle of July before a cargo arrives from Burmah. It is almost impossible to get any Japanese rice now, and Patna is 5s higher in London.

Grain and Milling News.

James Sanders, proprietor of the Whitewood flour mills, has purchased the mill at the neighboring town of Wapella, Assa.

The American Elevator, of Chicago, says: The excited and rapidly rising wheat market had the usual result on bucket shops. Three of them gave up the ghost in Kansas City in a week.

A Chicago paper says: The Buffalo elevator pool has been one of the most monstrous trade combinations that the country has seen. It has absolutely owned the New York legislature. It has cost more to elevate grain out of lake vessels in boats or cars at Buffalo than the cost of freight from the head of the lakes to Buffalo or from Buffalo to tidewater.

Winnipeg Clearing House.

The weekly report of the Winnipeg Clearing House, issued yesterday, is as follows:—

	Clearings.	Balances.
Week ending May 26.		
1898	$321,689	$1,792,048
Corresponding week,		
1897	180,739	970,420
Corresponding week,		
1896	157,270	850,210