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# Insurance and Finance

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### THE Insurance and Finance Chronicle.

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Civil Service  
Insurance  
in Canada.

A BILL has been introduced in the House of Commons at Ottawa by Mr. Foster, and passed to a second reading, providing for insurance by the Government on the lives of members of the civil service to whom "the Civil Service Superannuation Act applies," under a table of premium rates based on "the Hm. Table of Mortality with six per cent. interest, no allowance being made for expenses." A medical certificate, prescribed by the Governor in Council, is required, and the amount of insurance issued on any person is to be not less than \$1,000 nor more than \$2,000. The provisions of the proposed Act are to be carried out under the direction of the Superintendent of Insurance, who is to report to the Minister of Finance on each year's transactions ending on June 30th. We have no hesitation in saying that this bill ought not to pass, for although applying, if we understand it, to a very limited number of persons in the Government service, and not very far-reaching in itself, its adoption would serve as the entering wedge for sundry other schemes of Government insurance on a larger scale. We deny the right of the State to enter into the business of insurance in any form, and certainly the dismal failure of the scheme in Great Britain, as carried on by the Government for several years, ought to be convincing as to its non-endorsement by the public.

A Stroke of  
Mistimed  
"Enterprise."

OUR Pittsburg contemporary, the *Insurance World*, criticises with severity the growing practice of several life companies in the matter of unseemly haste in the payment of large death claims for advertising purposes, and in connection therewith raises the question of propriety on the part of the agent who flaunts in the face of the public the check drawn by the

company for the beneficiary. We hold that the prompt payment of death claims, where loss proofs are clear, is commendable, especially on small policies where the beneficiary is in pressing need of the money. Unfortunately, the lightning payments are, as a rule, made in the cases of heavy insurers with influence, the advertising value of the payment being in proportion to the standing and ability of the large-policy man. It is not uncommon in such cases for the agent to have the check, as issued in payment of the loss, lithographed and freely circulated without asking the consent of the beneficiary. We quite agree with our contemporary that such a use of the check, which is as much the private property of the person to whom it is issued as any other piece of personal property, is highly improper, the agent having no right to it beyond that of transmitter. We believe in "enterprise" in life insurance management, but there is such a thing as mistimed enterprise which disgusts.

Repudiation  
Which was  
Commendable.

AN interesting episode occurred a few days ago in New York in which Mr. Geo. F. Johnson, one of the city managers of the Equitable Life, was brought up with a round turn by Vice-President Alexander. It seems that early in January Mr. Johnson issued a confidential circular to agents of competing companies offering them from 65 to 80 per cent. flat brokerage, according to kind of policy, or from 60 and 10 renewal to 75 and 10 renewal if the agent preferred. The presumption of course was that this manager was backed by the company and received bouncing commission justifying his offer. This proves to have been untrue, however, for when the offer came to the knowledge of the officials of the Equitable, Vice-President Alexander promptly issued a circular order to the managers and general agents of the Metropolitan districts, not only repudiating the Johnson circular but forbidding any representative of the company to make contracts "entitling agents to excessive brokerage", or to issue any printed document relating to the business of the company without submission to and authority from one of its executive officers. Mr. Alexander in his circular states that the commissions offered by Mr. Johnson were "far in excess of what