

realms of finance and insurance. Certainly he himself must be under that impression, so full is the prospectus of "T. Marshall Ostrom." Mr. T. Marshall Ostrom appears, indeed, to such an extent in that interesting document that we caught a friend to whom we showed it trying to find some anagrammatic connection between the all-pervading manager's name and that of the company itself. We started this article by saying "if we knew no better," we simply meant that, so far as has come to our ears, the name of Mr. Ostrom, in spite of his "thorough acquaintance with the intricacies of the management of life insurance business" and "his remarkable faculty for taking hold of inexperienced agents and educating them to the art of the profession," and so forth, does not suggest strong memories of any high-class insurance company of brilliant success. Yet, if as we are told, the Monarch Company is ultimately to find its place as *first* among the Dominion's financial institutions, he really must be a man of more than usually good ability.

Perhaps he is, and for the sake of shareholders sanguine enough to take stock in his somewhat peculiarly worded scheme, we hope this may be the case. For, as the advertisement now before us very truly remarks, the success of a life insurance company depends upon the management and it not only requires experience but men especially adapted for the business. We readily understand that such a business as that of the Monarch is proposed to be, does strongly need management specially adapted thereto, but perhaps this is only another indication of what the directors felt when they induced Mr. Ostrom to "accept the office of managing director" after they had concluded that "new times demand new methods and new men." Mr. Ostrom has our congratulations on so exactly filling the bill.

Meanwhile, we will content ourselves with asking: Who is Mr. T. Marshall Ostrom? What is his past history? What credentials does he possess warranting the public to believe that he can carry to success such a high-sounding enterprise? Has he any actuarial experience or what certificates from actuarial societies?

We do not know the exact nature of the special T. Marshall Ostrom copyrighted policies, which are such a feature of this up-to-date company and which give it such "superior advantages over all other." The Government, however, has a more or less stereotyped form for the charters it now grants life insurance companies. Has this one succeeded in obtaining extra privileges, or are these peculiar features nothing more than other companies already possess under an ordinary name? Or, if Mr. Ostrom is empowered to make use of his unique facility for inventing new contracts, are those contracts of any value, not of course from his own point of view, but from that of people who are plucky enough to dash in and sign them?

Into all life insurance there enters the element of *cost*. This is based upon the mortality table and on the rate of interest, and these standards are fixed by the Dominion Government. An insurance company must use at least as stringent a table of mortality as that of the British Institute of Actuaries (Hm.) and a  $3\frac{1}{2}$  per cent. rate of interest, because that is the table and that is the rate of interest named in the Insurance Act. We repeat, has Mr. Ostrom's company any special privileges in its charter? If not, why all his moonshine talk about patent methods of insurance? True, a few particulars are given about the T. Marshall Ostrom House Endowment System. So far as we can make out the house pays one's insur-

ance premium, and the insurance pays for the house—on a kind of endless chain or perpetual motion process, so to speak. This should sound very pleasant in a working man's ear for instance, and will no doubt meet with eager response from those who have not been led to suspect all home-building schemes by a perusal of the recent report of the Registrar of Loan Corporations, etc. Referring to home-builders' schemes in general and to the National Land Company of old days in particular; the report says: "O'Connor's visionary scheme has in our day been revived under various disguises, but the excuse of insanity" [for O'Connor, its promoter, was afterwards incarcerated as a madman] "cannot be offered for the promoters in our time, it is the subscribers that are insane."

Looking, however, from a more general standpoint, at this new company which asks for a slice of the public's money, the question recurs: What hope of success *can* it have to warrant the colored talk of the promoter? And Mr. Ostrom must certainly possess the glib tongue of the arch-promoter in no uncommon degree, even though his name does not resound across the continent as a great insurance manager. Otherwise, how account for the fact that his company already has been entrusted with even enough money to advertise its prospectus? Recent history shows that life insurance companies started in this country even under good auspices have had a by no means easy row to hoe. During the last eight years there have been, if we remember correctly, at least eight life insurance companies started under Dominion or Ontario licenses, and of these not more than one has so far paid a dividend to shareholders out of profits. Mr. Ostrom may be new and different, but can he convince investors that his luck will be different? We have given to this proposition more space than it probably deserves, but it is necessary in the public interest that the fair repute of the life insurance business should be retained intact, and that investors who are asked to put their money into such schemes should know what they are doing.

#### THE "CORNER" IN MANITOBA WHEAT.

A very interesting state of things on the Chicago model developed in the Winnipeg grain market during the last few days, when there was practically a corner in July options, the first of its class. For several days the market was erratic, though it was not voluminous, the high prices frightening off actual bids. Nevertheless at one stage it reached \$1.35. The option market and its intricacies are difficult to explain satisfactorily, and some people are inclined to condemn the whole system indiscriminately. The best opinion, however, leans, to the view that, while it is open to grave abuses, something of the sort is a needed equalizer of prices both from the traders' and the farmers' points of view. Of course the dividing line between gambling and legitimate trading is a very fine one but the question is, what would be the natural result, apart from the existence of an option market, of the enormous shipping by farmers of their wheat at certain periods if there were no means of taking care of prices in some more or less artificial manner? In this case there would appear to have been a real attempt to obtain a monopoly of July wheat for speculative purposes, but as usually happens the "corner" was top-heavy and fell of its own inherent weakness. And it looks in any case as if the prime movers in the