THE I.O.F. FEELS A DRAUGHT.

Our old friend, the I.O.F., seems to be feeling a rather bad draught in the matter of new members. We have at hand a copy of a serio-comic circular sent out by one of the organisers of the Order making a frantic appeal to present members to bring in new blood. The organiser in question, it seems, was in November made a "Chevalier of the Legion of Honor" by the Lord High Tomnoddies up at Toronto—it is just like them to filch the name of an Order of renown and use it for their own pettifogging purposes——and wanted other folk to show their gratitude for this "honor" bestowed on him by working like mad to get new members. Why other people should be expected to show their "gratitude" in these circumstances, Heaven only knows. Anyway, the fish didn't bite, and so the "Chevalier," etc., has had to make another appeal. This is what he says:—"I admit with you that times are hard but a great many people are not affected by the present crisis, such as bank employes, men occupying positions with railways, government, corporation and farmers, post office, policemen, firemen, also men worth one million, all who could certainly join the Order."

"Men worth one million," it should be explained, is the joyful equivalent of the French *millionaires*. The translator of this circular certainly was some artist. That, however, by the way. What a vision this appeal conjures up! All the millionaires in Canada—if rumour speaks truly there are mighty few of them at present—only waiting to be asked to join the I.O.F. and receive, according to programme, "sick benefits $5 to $10 per week, protection of orphans, sanatorium for tuberculosis, pension for old age, also payment of policy for total or lasting invalidity." What can even a millionaire want more?

"Dear Brother," writes the "Chevalier," etc.—the I. O. F. is aways strong on sentiment, if on nothing else—"Dear brother, I am ready to make all money sacrifices so as to interest you towards securing new members." The money sacrifices in question are not after all so much of a sacrifice being $3 exactly for securing a $500 candidate, $4 for a $1,000 ditto, $5 for a $2,000 ditto and $6 for $3,000 or upward, and this remuneration is only payable after the candidate has paid up a dollar for medical fees and three months' dues. The "Chevalier" will have to try again; his terms are not good enough. Neither is the I.O.F.

NEW LIFE BUSINESS IN GREAT BRITAIN.

During the first of 1914, new business was exceptionally good, and it is not unreasonable to think that but for the war the year would have been a "record" one, says the London *Times* in a review of the British life insurance year. Immediately after the outbreak there was a great falling off in proposals, but later there was some return to more normal conditions. Such returns as have already appeared have, in fact, shown a quite satisfactory state of affairs. Still, new business is not everything, and there will be no surprise if some of the other offices show figures substantially below those of the previous year, especially as usually the last three months are the busiest period.

THE WAR AND RE-INSURANCE.

An important aspect of the fire re-insurance problem under present circumstances is called attention to by the London Post Magazine. It is pointed out that hitherto British insurance offices have transacted an enormous business with German and Austrian re-insurers. The cessation of all re-insurance cessions by British companies must be having a tremendous effect upon the German and Austrian re-insurers, inasmuch as thereby practically all their British, General Foreign, and a very large proportion of Canadian business, are cut off, except of course, what may be received in retrocession from neutral re-insurance concerns. German and Austrian offices are consequently finding themselves restricted to (*a*) the business of their own countries and (*b*) that which they receive from neutral sources.

POSITION OF UNITED STATES BUSINESS.

There is, of course, nothing to prevent the neutral countries (notably, from the point of premium, the United States) from continuing their re-insurance arrangements as in the past; but here the question of the security offered is likely to assume paramount importance. It is all very well for the German re-insurer to point proudly to the reserve locked up in the United States for the satisfaction of American liabilities (as a result of which, be it noted, the reserves in respect of claims arising under treaties with companies of other nationalities are proportionately weakened); the cautious American manager, with the conflagration hazard in mind, looks, beyond such funds, at the ability of his re-insurer's head office to make, when necessary, additional remittances; and it would not be surprising to learn that in the United States the value of German re-insurance protection is being queried. A similar consideration must sooner or later make itself felt in regard to re-insurance and retrocession treaties from other neutral countries, for it must not be overlooked that during the last few years the margin of profit on re-insurance business has not been such as to permit any very considerable strengthening of reserves.

The case is cited of a well-known German company founded some years ago. Its 1913 balance sheet shows a trading profit of 3½ per cent. on its net premium income and interest receipts, by far the greater part of which went in dividend payments. A depreciation of 30 p.c. on its investments, apparently largely German, would wipe out the general reserve fund, when beyond the individual branch funds—in the case of the fire business on about a 40 per cent. basis—there would appear to be only the unpaid capital to fall back upon for emergencies; and at what value in these troublous times is this latter to be assessed?

While tribute is gladly borne to the skilful and honourable manner in which, as a whole, German and Austrian companies have carried on their re-insurance business or branches, it is pointed out by the Post Magazine that "treaties, once placed elsewhere, are difficult to regain and the Gospel of Hate so industriously preached and practised is, to say the least of it, hardly likely to assist in the speedy re-establishment of friendly relations between Great Britain and Germany even when actual hostilities are suspended."