

BRITISH EMPIRE MUTUAL.

The chairman of the British Empire Mutual Life Assurance Company made a remark at the annual meeting held on the 3rd inst., which, trite and obvious as it appears, is too often practically overlooked or ignored, namely, that the very *raison d'être* of life offices and the strongest ground for support at the hands of all prudent people is the payment of premature claims. To this end are premiums collected and funds accumulated, and to provide against this special contingency nine-tenths of the policies are taken out. Provided that due care has been taken in the selection of lives, the occasional accruing of such premature claims, so far from calling for apologies, affords a valuable text for a little homily on the value and necessity of insurance.

We have watched for several years past with much interest the successful efforts of the British Empire Mutual to reduce what was, a few years ago, its heavy expense ratio. Year after year, under the able and experienced management of the late Mr. H. J. Rothery, the percentage has steadily shrunk, and we are happy to observe that Mr. G. H. Ryan, the new actuary and secretary, has signalized his first year of office by a yet further move in the right direction. An examination of the accounts proves that this reduction has not been made at the expense of efficiency. The premium income for the past year is the largest in the history of the company, amounting to £197,501; and the interest received from investments, £70,049, represents an advance of £3,500 on the previous year, and is also the largest on record. The claims, although slightly above expectation in amount, have permitted an addition to the insurance fund of £88,220, raising the total on December 31st last to £1,709,725. The investments of the company are set out very fully in the balance sheet, and it is satisfactory to learn that, as the result of a careful revaluation by a special committee of the board, a credit balance of £4,620 has been realized, which has been set aside to form the nucleus of an investment reserve fund.

The report concludes with a paragraph that might almost be stereotyped by offices having a temperance section—"the rate of mortality among the lives included in the temperance section has proved to be more favorable than that among the general body of members, and to the policy-holders in that section an increased ratio of bonus will accordingly be allotted."—*London Spectator*.

THE LIFE AGENT.

At the April meeting of the Chicago Life Underwriters' Association, Mr. Stearns in the chair, an address on the subject of the life agent was made by Mr. C. E. Mabie, president of the Iowa Life Insurance Company. We quote part of the address:

"I can remember as an agent in the field, when one of the requisites of a life insurance solicitor was to travel about with a chip on his shoulders. It was expected that if two rival agents should meet, a fight would ensue. The first part of the following quotation from Shakespeare would hardly apply, though the latter is pertinent: 'Beware of entering into a quarrel; but being in, bear it that the opposed may beware of thee.' This hatred between the rival agents was, to a great extent, brought about by public sentiment. The insurance solicitor was looked upon as a liar and a thief, and each agent shared in this feeling toward all rival agents. The agents themselves were responsible in the main for this public sentiment, as they denounced every rival agent as a liar and a thief, and so persuasive were their powers that they made the public believe it. They never met except on the war-path; hence could see no good in each other.

"But, gentlemen, I see in the organization of these associations the dawning of a new era. The bringing together of agents on friendly ground leads them to respect one another; it establishes a basis of mutual respect and confidence, as by this means they see the better side of the man and realize that some benefit can be gained by an interchange of ideas. It is this harmony of feeling and unity of interest that is raising the level of the insurance solicitor in public opinion. And, sirs, I predict that if the good work which is being done by these organizations continues, which it

must, it will be but a few years until the once despised insurance solicitor will be held as high in public esteem as the members of any other profession.

"As president of a life insurance company, I recognize that the agent is a force which can neither be ignored nor denied; that the agent is a force without which the entire business would soon come to a standstill; in fact, he is more than all else besides. Therefore, gentlemen, I am heartily in accord with any organization or association that will raise in the agent's own mind his standard of manhood, his honesty of purpose, and his appreciation of the noble work in which he is engaged.

"There is nothing more true than that the character of the business secured depends directly upon the standing and character of the man by whom it is procured. It, therefore, should not only be considered a privilege, but the duty, of every officer and manager of the life insurance companies to join hand and heart with these life underwriters' associations, both State and National; for by them and through them I see, in the not far distant future, a feeling of confidence and trust established in the public mind that will carry the blessings of life insurance into every hamlet in the land."

THE FIRE FIEND AND HIS LURKING PLACES.

No hour of the day, nor day of the month, nor month of the year, is free from his coming. All seasons and places are his. He is built into buildings by careless builders. He is hidden away in rubbish in alleys and in dark corners. He comes out of the sky in thunderbolts. He appears unexpectedly, and no one can tell whence or why he comes.

The analysis of 44,140 fires in the United States in 1892 shows that in every 1,000 visitations from the fire fiend last year he came down the chimney 47 times; he sprang from stoves and stovepipes 24 times; he was slowly warmed into activity by spontaneous combustion, 11 times; ignitions of greases, oils, paints, etc., summoned him 7 times; defects in heating apparatus allowed him to escape 7 times; oil stove accidents brought him 12 times; and other peculiarities of the premises which fire underwriters call inherent hazard left the door open for him 24 times. Altogether out of a thousand calls he found inherent hazard ready to welcome him 132 times.

Common hazard—the hazard that does not abide on the premises, but is found everywhere—greeted him in 115 instances. Arriving in this manner he descended in the form of sparks 25 times; lamp accidents and explosions ushered him in 30 times; careless use of matches invited him to enter 21 times; candles and gas jets illuminated in his honor 12 times; and fires from other common causes induced him to stop as he passed by 27 times.

No less than 335 times he came from neighboring premises which he had previously invaded; 19 times he came straight from the heavens in the form of lightning; 10 other times, so the study of exterior origins reveals, he came with his torch already lighted. All exterior origins counted, 364 of the thousand calls were due to the fact that he had arrived in the neighborhood on business connected with other property than the premises into which he subsequently gained entrance.

Seventy-five times he came accompanied by human fire-bugs, either wilful incendiaries or drunken, irrational, or malicious persons; 314 times nobody knew where he came from. His path was not down on the chart, but he came all the same and did much damage.

The loss by fire, annually increasing, has attained such tremendous proportions that it is almost impossible to comprehend the significance of the figures which represent it. In 1892 no less a sum than 151.5 millions of dollars was obliterated by fire in the United States. And in the eighteen years ending with 1892 nearly 1,800 million dollars of property values were destroyed by the same agency. In this incalculably large ash heap may be found the debris of every class of property.

What are we going to do about it—about this fire that destroys? How can we reduce our combustibility, for so it may be described? Mere extinguishing methods will not save us. We must go further back—begin at the beginning—and give attention to the prevention of fires. Instead of erecting buildings that are so much well-laid kindling wood, awaiting the

firefiend's torch, we must find a way to make all structures slow burning. Solidity and safety—not cheapness and ornamentation—must be the aim of the architects and builders; the fire loss is to be reduced. No one will doubt that the architects and builders have the knowledge and ability to make better buildings if they will. And they will make them if the people want them. Accidental fires will always occur. And accidental fires are the only kind of fires that ever ought to occur. There is no accident, however, in principles of construction.

We have been speaking of the fire loss as it has fallen upon the people, not as it has fallen upon the insurance companies. The fire underwriters do most of the wrestling with the fire fiend, but not all of it. Fifty-eight million dollars of loss fell directly upon the people last year. To this extent they had no succor nor sympathy. It is the people—aided as they will always be by the insurance companies—who must fight off the fire fiend as best they can. Let them begin by understanding that the fire fiend lurks in their chimneys and their stoves and their furnaces, and in the sparks that float in the air, more often than in any other places named in the long list of known fire causes, and they will be enabled to make a promising start in any campaign for fire prevention they may conclude to undertake.—*Franklin Webster, Editor N. Y. Chronicle*.

SOME OPINIONS ON PROFIT-SHARING.

The following open letter to employers and employees is issued by the Association for the Promotion of Profit-Sharing, which has its headquarters at 25 Beacon street, Boston. The letter is signed by Carroll D. Wright, Washington, president; Francis A. Walker, Boston, and N. O. Nelson, St. Louis, vice-presidents; N. P. Gilman, Boston, secretary; R. Fulton Cutting, New York; Alfred Dodge, New York; R. R. Bowker, New York; Henry R. Towne, Stamford, Conn., and George A. Chace, Fall River, Mass., directors:—

"In anticipation of a revival of business and the consequent reopening of many mills and factories, which now seems probable, we would invite your attention to the importance of introducing some form of profit-sharing as a feature of your industrial relationships. The method of paying a dividend to the workman out of profits as they are realized annually has been approved by most of the economists of Europe and America as thoroughly practical, and advantageous to both the employer and the employed. We will mention a few characteristics which should commend it to your careful attention.

"Profit-sharing can be adopted by an employer without risk of loss, inasmuch as he assumes under it no obligations except such as are to be discharged from profits actually made. His prerogatives as manager and his rights as proprietor are not curtailed. Profit sharing would establish a more friendly relationship of common interest between working-people and the employer. This would be the surest pledge of industrial peace and the firmest support in times of commercial distress.

"The employee, responding to such an advance by the employer, can increase the quantity and improve the quality of the product under a deeper feeling of personal interest. By his diligence, care, and economy he can actually create an additional profit, which is to be used in supplementing regular wages. Profit-sharing includes the payment of the best wages current, and promises a bonus beyond this, which, experience shows, the interested workman can invariably produce in good times.

"Profit-sharing, as a principle, may be applied in a large variety of ways; and it can readily be adapted to the great majority of productive and distributive enterprises. We invite applications for full information concerning the history and the results of the system, as it is now in operation in many establishments; small and large, in Europe and the United States. The address of the Secretary of our Association is No. 25 Beacon St., Boston, Mass."

—There is a well authenticated rumor going the rounds of the grain dealers' circle to the effect that a 2,000-barrel flour mill will shortly be erected in the city, and that a local miller will have complete control.—*Winnipeg Free Press*.