

what we included in the column headed "claims on policy account," the *Reformer* says:—"With regard to the second table, we have simply to observe that an endeavor has been made to prove that the death rate of the said English offices has been far in excess of the *total death-rate of the entire population of the kingdom!*" "Endeavor has been made to prove" is good, in view of the fact that the figures given are from the official reports of the companies named, and can easily be verified. Of course the death rate in many cases is already higher than "that of the entire population," and will keep on climbing up exactly as predicted by the mortality tables, regardless of the *Reformer's* ignorance. When the death rate is ten times as high as it is now, these companies will pay claims just as easily as they did the first one, notwithstanding the premium income may be only a mere fraction of these claims, for an accumulated *reserve* provides for a growing mortality perfectly. Whenever, however, the company of which the *Reformer* is the mouthpiece, and assessment companies generally, reaches the point where the premium income falls materially short of the death claims, it will itself be *in articulo mortis*, and both claim payments and insurance of survivors will be at an end. The old-line companies sell *insurance*; the others sell a poor imitation article.

ADDITIONAL INTEREST HAS been given to the question of high buildings by the action of the recent National Real Estate Congress convened at Buffalo. That body declared in favor of these structures, naturally looking at the question from the narrow standpoint of investment. As to their safety and the measure of fire hazard which their erection involves these men may be considered as *ex parte* judges. An unprejudiced opinion of a very intelligent kind was given, however, at the recent annual meeting of the Fire Underwriters Association of the Northwest in a paper read by Chief Swenie of the Chicago fire department, in which city exceptionally tall buildings from 150 to 300 feet in height have grown up under his eye. His opinion, summarized, is, that carefully constructed high buildings, with steel frame work encased in brick or tile of sufficient thickness to prevent bending or expansion under excessive heat, and with strong independent party walls, with joists and beams securely fastened in their places, may be tolerably safe where used exclusively for office purposes; provided that electric wires are properly put in, and stand-pipes reaching from basement to roof with hose on each floor, are provided. Chief Swenie unhesitatingly declares that no tall building, however well constructed, is fire proof when filled with combustible material. Such buildings he would have constructed of brick, and in no case to exceed 125 feet in height.

WE CAN SCARCELY suppose that a gentleman of President McCurdy's keen perceptions and logical endowment intended, in his letter to the *Independent* on the rebate question, to cite the practices of the piano dealer, the tea importer, the bookseller, the railways, *et al.*, in cutting rates as furnishing parallels to the

rate-cutting, known as rebate, in life insurance. We conclude that the practice cited as to commercial pursuits was introduced mainly to show that the seller of life insurance is not unlike other sellers in their anxiety to "get there," even at a reduced price; for surely the president of the largest mutual life company in the world cannot lose sight of the fact that commodities of every day production and transient in their use, furnished by individuals or stock companies, have nothing in common, from the barter standpoint, with life insurance, where mutuality of interest and uniformity of treatment form the fundamental basis of all its transactions, running through an indefinite series of years. The real point in Mr. McCurdy's letter seems to be, that, while the Mutual Life, in common with the companies generally, deprecates rebating and would stop it if it could, it can't because the agents who practice rebating are too smart to be caught at it! But then, a good many *have* been caught at it, and more might easily be caught. A few examples of summary punishment by dismissal would work the same "terror to evil doers" which attends punishment of offenders generally, and thus prevent both the offence and its punishment. If it be said that under present contract rights the agent cannot legally be discharged for giving a rebate, then, we reply, remodel the contract so as to give the company that right. We believe that the companies are masters of the situation, or may be, which is the same thing.

CO-INSURANCE IN THE CANADIAN FIELD.

The consideration of the adoption of the 80 per cent. co-insurance clause by the Canadian Fire Underwriters' Association on certain commercial and manufacturing risks, at its recent annual meeting at Toronto as reported in our last issue, we regard as timely, while the large measure of favor which we understand was accorded the proposition may be regarded as favorable to its adoption three months hence, when finally considered. The experience of the past years, and so far that of the present one, shows pretty plainly that the companies cannot go on successfully if called upon to continue the payment of such enormous losses on the basis of the present premium income. Either less money must be paid for losses or more received for premiums. The out and out increase of rates is well known to be anything but an easy matter in the present state of public misunderstanding and prejudice, and very naturally the question arises whether after all the present average rate may not be high enough, if only loss liability were placed on its proper basis.

The property owner who insures for only one-half the value of his property, in case of loss equal to or exceeding the insurance, holds the company for a total loss as to amount insured, whereas if he had insured for four-fifths or for full value his premium contribution toward the payment of a one-half value loss would have been correspondingly larger. Every honest and fair-minded insurant ought to be able to see that he himself has a direct interest in the saving of his property from fire loss, and that the vigilance and care