

breaking in dimensions. Our trade could not go forward so swiftly as it has without throwing a peculiar strain on the banks. At their branches all over the country they have been called on to finance all sorts of propositions. The phenomenal increase in current loans in Canada shows something of what has been happening. Then the grain blockade in the Northwest has tied up a great many millions in money. And finally our banks are not interested in the rise and fall of the Wall Street demand for money nearly so directly as are the New York banks, the London, Paris, or Berlin banks. The amount of our call loans in New York is not regulated so much by the extent of New York's demand for funds as it is by the amount of the temporary surpluses we have for investment. A certain amount is kept out at call there always, as an emergency reserve, no matter what the rate of interest may be. Montreal or Toronto can feel hardly any relief in the announcement that New York's extra need for funds has passed, because they had no obligation or desire to minister to New York's necessities. A particularly high rate there does, undoubtedly, draw Canadian funds abroad; our banks are tempted thereby to increase their New York loans more than they otherwise would. It is hardly to be expected that relief will come to our markets till there is some liquidation in the extraordinary loans resulting directly and indirectly from the tie-up in grain.

#### COST OF TOTAL DISABILITY PRIVILEGES.

As the Dominion Insurance Act debars regular life companies from engaging in any form of health or accident insurance, the question of including a total disability clause in their policies is not likely to become a live issue in Canada. Elsewhere, however, the plan is becoming not uncommon, the additional benefits being even granted without extra premiums. The more conservative companies adopting the feature limit the benefit to a cessation of premiums at the time of total disability through accident or disease. But others, with a fine unconcern for cold mathematical reasoning, promise a payment of the sum assured by instalments, beginning at the time of total disability. The actuarial aspects of the question were exhaustively dealt with by an eminent Russian actuary, E. Henza, in a paper presented at the third International Congress of Actuaries. His tables were based upon the experience of German railways with regard to insurance of their office employees against sickness, invalidity and death. In a recent number of *The Spectator of New York* there appears an article based upon M. Hanza's computations, showing the extra premiums required on a twenty-payment life policy for various ages at entry, both for the ces-

sation of premiums and for the payment of claim at time of invalidity.

AGE.	FOR CESSATION OF PREMIUMS.			FOR CESSATION OF PREMIUMS AND PAYMENT OF CLAIM.		
	Ordinary Premium.	Extra.	Total Premium.	Ordinary Premium.	Extra.	Total Premium.
20....	\$28 00	\$0 15	\$28 15	\$28 00	\$ 70	\$28 70
25....	30 00	0 25	30 25	30 00	1 40	31 40
30....	32 60	0 45	33 05	32 60	2 75	35 35
35....	36 00	0 88	36 88	36 00	5 46	41 46
40....	40 20	1 70	41 90	40 20	7 33	47 53
45....	45 50	3 55	49 05	45 50	10 66	56 16
50....	52 30	6 80	59 10	52 30	16 30	68 60

Were the extra premiums to have expense loadings added, the difference would be still more marked. That regular Canadian life companies do not indulge in this "prize package" method of doing business is a matter for congratulation to all concerned.

#### FIRE INSURANCE IN THE UNITED STATES IN 1906.

An exhibit covering the United States business for 1906 of all stock fire insurance companies reporting to the New York State Insurance Department, appeared recently in *The Spectator of New York*. From this has been compiled the accompanying table relating to the United States record of such companies as do business also in Canada. It was mentioned in *THE CHRONICLE* of last week that the United States branches of foreign companies had within the past seventeen years drawn upon their home offices for over \$30,000,000 more than they had remitted to them. During the sixteen years ending with 1905, about \$20,000,000 more had been sent to than had been received from the head offices. But 1906 disastrously changed the balance, as during the year foreign companies sent to their United States branches over \$50,000,000 more than they received from them.

Practically all foreign companies of any importance doing business in the United States report to the New York Department, so that *The Spectator's* table thoroughly indicates the results for the year. The total United States income of the branches of the foreign companies there shown was under \$75,000,000 while the disbursements were over \$113,000,000. Of this latter sum about \$90,000,000 was for payment of losses—while altogether too large a proportion of the remaining \$23,000,000 was for the heavy taxation burden, in the placing of which state appears to vie with state the whole country over. Even the object lesson afforded by San Francisco, as to dependence upon foreign fire companies, is apparently overlooked in the concocting of new legislative discouragements by certain of the States.