

THE CANADIAN MONETARY TIMES

AND INSURANCE CHRONICLE.

DEVOTED TO FINANCE, COMMERCE, INSURANCE, BANKS, RAILWAYS, NAVIGATION, MINES, INVESTMENT,
PUBLIC COMPANIES, AND JOINT STOCK ENTERPRISE.

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TORONTO, FRIDAY, SEPTEMBER 10, 1869.

SUBSCRIPTION \$2 A YEAR.

Mercantile.

- J. B. Bonstead.**
PROVISION and Commission Merchant. Hops bought and sold on Commission. 82 Front St., Toronto.
- John Boyd & Co.**
WHOLESALE Grocers and Commission Merchants, Front St., Toronto.
- Childs & Hamilton.**
MANUFACTURERS and Wholesale Dealers in Boots and Shoes, No. 7 Wellington Street East, Toronto, Ontario.
- L. Coffee & Co.**
PRODUCE and Commission Merchants, No. 2 Manning's Block, Front St., Toronto, Ont. Advances made on consignments of Produce.
- Candee & Co.,**
BANKERS AND BROKERS, dealers in Gold and Silver Coin, Government Securities, &c., Corner Main and Exchange Streets, Buffalo, Y. N. 21-1v
- John Fiskin & Co.**
ROCK OIL and Commission Merchants, Wellington Street East, Toronto, Ont.
- W. & E. Griffith.**
IMPORTERS of Teas, Wines, etc. Ontario Chambers, cor. Church and Front Sts., Toronto.
- Gundry and Langley.**
ARCHITECTS AND CIVIL ENGINEERS, Building Surveyors and Valuers. Office corner of King and Jordan Streets, Toronto.
THOMAS GUNDRY. HENRY LANGLEY.
- Lyman & McNab.**
WHOLESALE Hardware Merchants, Toronto, Ontario.
- W. D. Matthews & Co.**
PRODUCE Commission Merchants, Old Corn Exchange, 16 Front St. East, Toronto Ont.
- R. C. Hamilton & Co.**
PRODUCE Commission Merchants, 119 Lower Water St., Halifax, Nova Scotia.
- H. Nerlich & Co.,**
IMPORTERS of French, German, English and American Fancy Goods, Cigars, and Leaf Tobaccos, No. 2 Adelaide Street, West, Toronto. 15
- Parson Bros.,**
PETROLEUM Refiners, and Wholesale dealers in Lamps, Chimneys, etc. Waterrooms 51 Front St. Refinery cor. River and Don Sts., Toronto.
- Reford & Dillon.**
IMPORTERS of Groceries, Wellington Street, Toronto, Ontario.
- C. P. Reid & Co.**
IMPORTERS and Dealers in Wines, Liquors, Cigars and Leaf Tobacco, Wellington Street, Toronto. 28.
- W. Rowland & Co.,**
PRODUCE BROKERS and General Commission Merchants. Advances made on Consignments. Corner Church and Front Streets, Toronto.
- Sessions, Turner & Cooper.**
MANUFACTURERS, Importers and Wholesale Dealer in Boots and Shoes, Leather Findings, etc., 8 Wellington St. West, Toronto, Ont
- Sylvester, Bro. & Hickman,**
COMMERCIAL Brokers and Vessel Agents. Office—No 1 Ontario Chambers, (Corner Front and Church Sts., Toronto. 2-6m

Insurance.

REPORT OF SUPERINTENDENT BARNES FOR 1869.

We make the following extracts from the closing portion of this report:—

On the 31st day of December, 1868, over five hundred and fifty thousand life policies were in force in the United States, principally in the Northern and Western States. The number will soon exceed the number in force in Great Britain, where there are about one hundred and fifty existing companies, and where life insurance has been practiced for over a century. In this country it cannot be said to have been established over quarter of a century.

With seemingly abnormal tendencies, our ratio of assets to amount at risk has diminished for several years as compared with prior years; but this fact is readily accounted for in consequence of the vast volume of new business which has flowed in upon the companies, thereby lessening the average reserve on the whole amount insured, although the average rate of premium has increased.

Speaking from an extended and varied experience, the superintendent is entirely free to say that, as a general rule, in his opinion, the annual statements of our insurance companies are accurately and carefully prepared, and are the most reliable and trustworthy exhibits made by any class of financial or monied institutions. The few remaining discrepancies will soon be eradicated, and no other corporations of any kind, in this or any other nation, can show such full, detailed, and perfect exhibits of assets and liabilities, incomes, expenditures, and general information, accompanied also by minute and detailed schedules, in themselves almost equivalent to an official personal examination.

Non-forfeiture and other Laws relating to Life Policies.—As a last resort against any dishonesty and oppression by life insurance officers and their legal and mathematical advisers and managers, it is undoubtedly expedient and proper legislation to prescribe, with more or less definiteness, the terms and conditions of the various kinds of policies and contracts which these corporations may be allowed to make with their policyholders. Do the existing circumstances require any such extraordinary legislation at this time? In the opinion of the superintendent they do not. The sharp competition between so many companies is modifying policies for the benefit of the public to the full extent of safety to the companies, and this tendency will continue to operate for many years. The companies themselves will offer as favorable conditions to the public as is consistent with the line of safety and success in the business, and these inducements will be better and more skillfully shaped to meet the varying demands of the public than any inflexible law which can be contrived by a legislative body. If the non-forfeiture and other clauses of policies are to be settled and determined by statute laws, few of the forty or more States will or can, agree on the nature or terms of these clauses, and a life insurance contract will ultimately become almost as varied in its provisions as the different States of the Union in which policyholders may reside. Such confu-

sion and contrariety would be an almost insufferable evil and detriment to this great interest and to the public welfare. The *Lex Mercatoria* and the usages of companies and underwriters have been perfecting the marine policy for centuries, and the fire insurance policy is subjected to a like attrition and development. Why not let the natural laws of trade and competition work upon and perfect a life insurance policy in the same manner? Why not leave the people and the companies at liberty to make their own contracts and to prescribe their own terms and conditions. No statute law will ever be able to confer on negligence the rewards of punctuality, or to give to fickleness and mutability the gains of steadiness and perseverance. If this subject is to be settled and unsettled in the arena of political strife of the different States, then it should be grasped with the comprehensive views of the politician and statesman, and no partial or incomplete legislation initiated. It is idle and futile to prescribe a surrender value for a policy or term or other insurance in case of lapse or forfeiture, and not at the same time regulate and fix the rate of premium. Then the participating and non-participating scales are to be considered, and involved with rates is the subject of dividends and the respective shares therein of stockholders and policyholders. No law can, in the nature of things, be perfect and complete unless it prescribes the form for the *whole policy*, including all of its terms and conditions. A vast field would thus be opened for legislative investigation and adjudication which can be settled best by the people and the companies themselves and the attrition of conflicting interests, subject to the general principles of written and unwritten law, which govern all other departments of trade and business.

It would be well for the companies to provide liberally for "days of grace," or rather months of grace, during which no lapses should occur, but the policy remain fully valid subject to the payment of unpaid premium. If further payments cannot be made and the surrender or net value is to be used as a single premium for a term insurance, or for a diminished amount of whole-life insurance, a new policy should be issued, thereby avoiding all confusion and uncertainty on the Policy Registers, and putting the new contract in such a definite and fixed shape as to avoid all controversy and misunderstanding.

The deposits in banks are generally withdrawable at pleasure with or without interest; but a life insurance company is not a savings' bank, and any such change in its features should be made only as an experiment to test its practical effect upon the business. Meanwhile old contracts and existing companies should not be disturbed, or their standing and success periled by interpolating into their policies new provisions and conditions by legislation in the different States. Any thirteen or more persons who consider the terms of the present policies to be onerous, oppressive and burdensome, can organize a new company and issue such life policies, contracts and other obligations as in their judgment are just, safe and expedient.

Casualty Insurance.—The Hartford Life and Accident Insurance Company of Connecticut, and the United States Casualty Insurance Company of New Jersey, have both abandoned the accident business, and propose hereafter to become pure