

NEW YORK STATE SUPERINTENDENT OF INSURANCE.

State Superintendent of Insurance, Francis Hendricks assumed charge of the State Insurance Department, on Monday last, relieving the retiring Superintendent Louis F. Payn. Superintendent Hendricks was received by Superintendent Payn and Deputy Superintendent Robert H. Hunter, Harry Appleton and William H. Buckley. Superintendent Payn at once proceeded to turn over to Superintendent Hendricks the properties of the Department. The securities deposited by insurance companies with the Department for the protection of policy holders in this State were turned over.

Superintendent Hendricks stated that he had no announcements to make. Mr. Payn was then presented by the clerks of the Department with a loving cup suitably engraved. Mr. Payn addressed a letter to the clerks in which he thanked them and said he was gratified to lay down his work to a man "so eminently qualified in every way, from a long experience in official life, to take up the important work of the Department."

LIFE OFFICES AND VOLUNTEERS.

(From "The Times" London, Eng.)

The call of the Government a month ago for civilians to go on military duty to South Africa set the directors of life assurance companies an unexpected and most perplexing problem. What were they to do? Were they to make a flourish of patriotism at the expense of their clients, or were they to deal with the new war risk in the same grave, unemotional spirit as that in which they already dealt with all other life risks? It was a very pretty puzzle, and the various directors had to worry out a solution for themselves; there was no precedent to guide them. They came to a decision—not by any means to a unanimous one, for life offices have never yet been unanimous about anything; but to a decision of which the main principle shows some approach towards uniformity.

What the offices fairly generally decided to do was roughly this—to extend to civilians who were already insured the protection of existing policies without any extra charge, and to demand the full scientific war risk premium from all those who wanted to take out an insurance policy before going off to fight. And it is because the offices have made this enormous distinction between old insurers and new ones that they are blessed and cursed on alternate days by the correspondents of newspapers. The blessings are really as little deserved as the curses. To do the life offices justice, they merit neither gratitude nor reprobation. The concessions, which in many cases are no concessions at all, are not made from patriotic or philanthropic motives; and the stiffness of the war premiums which are demanded is in no sense due to greed. They were compelled to the one course by competition, and to the other by financial prudence.

It will not be uninteresting to consider for a moment the reasons why so vast a distinction was drawn between Volunteers who already held policies and Volunteers who desired to take them out. The cause was the simplification which has taken place in the life assurance contract during the past ten years.

Competition has done it. Fifty years ago life offices hedged their policies by all manner of unnecessary and vexatious conditions. A policy-holder must not go here and go there, he must on no account be hanged; he must not even commit suicide, if he wanted to. If he wanted to do any of these things, especially to travel, he must pay just as much as was asked of him, or go un-insured. Time has swept away most of this troublesome rubbish. During the past ten years the better offices have more and more taken to granting whole-world and unconditional policies, either at once or within a few years, to all policy-holders who, at the time of assuring, had no prospect of going to unhealthy climates or taking up hazardous occupations. When, then, the Government called for Volunteers, both horse and foot, for active service, many leading offices awoke to the fact that their policy-holders had an incontestable legal right to get themselves shot without an extra halfpenny being demanded of them. It was practically impossible in these days of bitter competition for those offices which retained the power to charge war risk premiums to existing assurers to do so. Some of the greatest offices in the country could not, and would not if they could, make any charge, and the lesser institutions were compelled to follow. So many of them gave in and, what was not unnatural, were tempted to give to their surrender the appearance of concession.

The case of uninsured Volunteers was altogether different. Here there were no existing contracts, and the volunteering civilians stepped at once into the same insurance category as naval and military officers. Unless these Volunteers were to be kept safely in garrison towns at the bases of operations—and for this supposition there was no warrant—the cost of insuring them would be at least £5 per cent. over and above the ordinary premium. Life offices, even proprietary ones, are nowadays great mutual benefit societies, and any additional claims incurred through insuring Volunteers would be so much out of the surplus belonging to the mass of policy-holders. To speak loudly of the unpatriotism of charging extra premiums for war risks is really most unfair. Why should the small and by no means wealthy middle-class insurers, who are the chief supporters of life offices, pay £5 per cent. per man upon the policies of Volunteers who are going to South Africa? If these extra premiums ought to be paid by anyone other than the persons principally concerned, they should surely be borne by the whole nation, and not by an insignificant part of it. This, at any rate, is the view taken by nearly all those who are not the owners, but merely the trustees, of the funds belonging to the life offices, and they decided to stand out for war risk premiums. One office—perhaps more, but certainly one—has offered to insure all fighting Volunteers for a limited sum without any extra charge at all. The public should fully understand what this means. It means that the office will lose in war claims £25 for every £500 of insurance effected with it by Volunteers, and the more Volunteers it insures the more certainly will the laws of probabilities exact this toll from it. One other thing is certain, and that is that many of the other life offices, many of those even which are charging an extra premium of seven guineas per cent., will be uncommonly glad to let this office have all the Volunteer insurance which may be going. There is little profit and much worry in these special risks.

It does not seem unlikely that the precedent which the Government has set in using Volunteers for active service may cause life offices no longer to regard