At the same time, in no direction can money be more easily wasted than by injudicious advertising expenditure. Life companies have not always exercised the same discrimination in the choice of mediums as commercial houses are accustomed to show. A speaker at the Toronto convention referred to the mistake made when advertisements are largely confined to purely insurance publications, circulating only among underwriters—valuable as such may be when it is desired to reach prospective agents. At the other extreme is the tendency to put too much of an appropriation into expensive space in "popular" dailies, much of whose constituency is not practically available from the standpoint of a life company—unless it transacts an industrial business. As occupying a middle ground (with circulation covering the very classes most responsive to life insurance arguments) are papers that appeal especially to shareholders and other investors, officials of joint-stock companies, bankers, financiers, and business men of standing in manufacturing and commercial lines. As to this—'nuff said! Amplification might be deemed not altogether disinterested.

OLD VESSELS AND NEW.

To the marine underwriter, under-insurance rather than over-insurance is the more insistent bugbear. The unfavourable experience of marine business during 1908, the whole world over, was due not merely to rate-reduction but to the tendency to heavy reduction in valuation. And especially was this prevalent in the case of old steamers. Heavy resultant losses have since led to general advance in premium rates and to greater care in the maintaining of values.

A recent phase of this cautiousness regarding old steamers has been the growing practice of adopting one valuation for the purposes of average (general and particular), and a lower valuation for a case of total loss. At times the latter valuation is only 50 per cent. of the former—but it is usually a somewhat larger percentage. An example given by Fairplay, of London, cites the case of an owner covering on a valuation of £20,000, the policy containing a provision that in the event of total loss the underwriters will pay him £10,000, such payment, of course, terminating the insurance.

Very probably the steamer in question is only worth £10,000 in the market, and the owner only wants to be covered to that extent; but hitherto the underwriters, anxious to minimize the percentage of claims, would frequently hold out for an outside valuation of the hull. If they could get such valuation they were far more favourably served than if they accepted the market valuation of the hull. The present modification, according to the London authority quoted, is presumably intended to accommodate owners, as well as underwriters themselves, and should tend to do away with the public insinuations made against owners, that they are more or less given to "over-insurance."

It does not yet appear just how the new arrangement will fit into the usual wording of marine policies. In the generality of cases there is a clause reading something like this: "in the event of total loss we (the underwriters) agree to pay the owner a percentge of —— on the full value of the policy." In the illustrative case given above the blank would be filled up with "50," which would mean, in effect, that the underwriters would pay as for a total loss by settling 50 per cent. on the £20,000—equalling £10,000. The question is raised as to how this would work where the total loss is of the "constructive" description. Some owners consider that the "repaired value" test would be, or should be, £10,000 (in the example given); underwriters, on the other hand, are likely to urge that as the percentage payable is based on the full valuation, £20,000 is the test.

It is pointed out by Fairplay that it has not been customary for underwriters to make any alteration in their valuation clause, and no doubt the matter will be discussed, with a view to adapting the valuation clause to the circumstances of this form of policy, at the meeting of underwriters which it is usual to hold in the autumn. The legal test of constructive total loss is: Will the estimated repairs exceed the value of the ship after she is repaired? If it should exceed that value then the ship is a constructive total loss. For years now, however, the underwriters have had a special (Institute) clause of their own, which runs as follows: "In ascertaining whether a vessel is a constructive total loss the insured value shall be taken as the repaired value, and nothing in respect of the damaged or breaking-up value of the vessel or wreck shall be taken into account." The latter portion of this clause was added last year to meet a decision in a marine insurance case in the House of Lords. Says Fairplay regarding it: "I have in the past expressed the opinion that this clause—that is, the former part of it—is inequitable, for under it a new and highly valued vessel could not become a constructive total loss if her estimated repairs did not equal, or exceed, the policy valuation."

ONE-SIDED PROTECTION.

To recognize a principle is not always tantamount to acting in accord with it. After a four-clause preamble, the Canadian Manufacturers' Association (in convention assembled at Hamilton this week) has resolved that "while recognizing always the principle of protection," it should place itself on record as strongly opposed, under present circumstances, to any legislation which would impair and prohibit the continued use by Canadians of the services rendered by unlicensed fire insurance companies—specific objection being taken to the proposed taxation on premiums paid on such "outside insurance."

Just as positively, a week or so earlier, the Ontario Local Fire Insurance Agents' Association (also after a four-clause preamble) passed a resolution to the effect that "every effort should be put forth and every legitimate influence exercised to prevent the enactment of any legislation so jeapordizing the interest of the public" as that which—even under proposed taxation conditions—would permit companies not complying with requirements as to deposits, reserves and supervision, to do business in Canada.

Evidently, underwriters and manufacturers are still far from seeing eye to eye in this matter.

A week ago to-day, the fire insurance interests of nearly every province were represented at a