

LIFE POLICY LOANS: TREND OF RECENT EVENTS.

(Continued from p. 543.)

detrimental on the whole to the interest of the beneficiaries of life insurance policies.

POSITION NOT ALARMING.

Again, there is really no very alarming evidence of the rapid growth of policy loans, but so far as there is any evidence now at hand, it goes to indicate that with improving and more settled business conditions, a natural check will be put upon demands for policy loans, and in substantiation of this opinion we may call attention to the following statistics supplementing those given in our former article:

EQUITABLE OF N.Y..

Year.	Invested and Cash Assets.	Policy Loans and Premium Notes.	Of Loans.	Percentages, Increase of Assets.
1909.....	\$475,828,382	\$59,954,933	12.6	...
1910.....	486,610,947	65,250,555	13.4	2.3
1911.....	496,510,231	71,346,337	14.4	2.0
1912.....	505,620,953	77,890,953	15.4	1.8
1913.....	517,953,441	86,558,457	16.7	2.5

MUTUAL OF N.Y.

1909.....	\$535,319,816	\$65,274,998	12.2	...
1910.....	552,954,502	70,953,536	12.8	3.3
1911.....	569,480,216	76,048,490	13.4	3.0
1912.....	584,254,631	80,059,864	13.7	2.6
1913.....	596,055,249	88,184,039	14.8	2.9

NEW YORK LIFE.

1909.....	\$589,604,609	\$94,634,473	16.1	...
1910.....	631,202,275	104,316,910	16.5	7.0
1911.....	677,705,436	113,516,068	16.7	7.4
1912.....	719,900,476	123,611,228	17.2	6.2
1913.....	731,793,281	138,105,659	18.9	1.7

MUTUAL BENEFIT.

1909.....	\$125,086,266	\$22,401,478	17.9	...
1910.....	132,878,349	24,258,283	18.3	6.2
1911.....	142,139,080	25,848,422	18.2	6.9
1912.....	151,670,176	27,584,075	18.2	6.8
1913.....	162,267,701	30,660,518	18.9	7.0

PROVIDENT LIFE INSURANCE AND TRUST COMPANY.

1909.....	\$ 65,790,936	\$ 7,117,658	10.8	...
1910.....	68,663,482	7,867,578	11.5	4.4
1911.....	71,727,622	8,390,535	11.7	4.5
1912.....	74,680,283	8,700,549	11.7	4.1
1913.....	77,389,695	9,722,043	12.6	3.6

POLICYHOLDERS' NEED.

Twenty-five years ago the Equitable and Mutual of N.Y. Companies, refused policy loans altogether, and the New York Life allowed them only sparingly. The Provident Life Insurance & Trust Company allowed them, and had about 5.1 p.c. of their assets then in this form. The Mutual Benefit Life has for many years consistently followed a liberal practice in this regard. Notwithstanding that loans of this sort are still regarded with considerable disfavor by four of the companies whose figures we show, it may be noted that their percentages of such loans are tending to approach an equality with those of the Mutual Benefit Life, which does not mean that the demand for such loans will become unlimited, but only that a certain proportion of policyholders now need, and probably will continue to need to borrow in future on the security of their policies.

It may also be noted that the last five years, and particularly the last two years have been characterized by increasing rates of interest, and falling values of securities, and disturbed business conditions, which facts are confirmed by the somewhat downward tendency in the increase of the value of assets, which our percentages disclose. On the whole we see no more urgent demand for policy loans during the year 1913, than existing circumstances readily accounted for.

We do not question the possible value of reasonable legal restraints, if not precisely the remedies suggested in the resolution of the National Convention of Insurance Commissioners on December 12th, 1913, for checking wanton demands for policy loans.

The rates of interest, charged for policy loans should be sufficiently high to counteract undue readiness to apply for them, and companies should take pains to fully represent to policyholders the value of holding their insurance free from liens of any sorts, in which case we are confident that liberal and equitable rules in dealing with policyholders will result in far more gain than loss to the companies, as well as to them and to their beneficiaries through the expansion of the business. Liberal dealing makes applications for large amounts attractive and safe.

TIMELY SUGGESTIONS FOR FIRE PREVENTION.

With all the precautions in the world, however, fires cannot be entirely eliminated. To fight them successfully there should be in every factory or workroom a thorough organization of a sufficient number of the employees into a fire-fighting force. They should be drilled regularly and thoroughly; they should be trained to use the appliances, and to see that these are always in working order. This is done in a way in some establishments now, but in most cases the drills are only play, and time after time the force goes to pieces at the time of need.

And there should be drills of the remaining employees, the great majority, in getting out of the building in safety, and in the shortest time possible. Shortly after the fire in the Asch building where there were no fire drills and where 143 girls were killed, a blaze broke out in a similar factory on Fourteenth Street, where the employees had been trained, and 400 girls escaped out into the street in two minutes. If they hadn't got out in quick time they would have been burned, for the fire broke out into a quick one.

Automatic sprinklers and automatic alarms should be installed to the last limit of precaution. There is no case where the old adage, "An ounce of prevention is worth a pound of cure," is as true as with fire. We have been stingy with our ounces, and it is costing us dear in pounds. The doors should open outwardly and be fastened only in such a manner that they will yield instantly to slight pressure. The windows should be unobstructed and the fire escapes should lead to safety instead of into a trap. These are the changes that could be brought about without any revolution in most establishments, and they would be sufficient. It is the lack of them that is responsible for most of our fires.—Edward F. Croker in *World's Work*.