

INDUSTRIAL LIFE ASSURANCE.

ITS EXTENT IN THE EMPIRE AND UNITED STATES.

The term "Industrial Life Assurance" is somewhat lacking as a clear definition of the business to which it refers. Several of the Canadian Companies that transact this class of life insurance avoid this ambiguity by using the titles, "Provident," "Thrift," or "Monthly." What these terms mean is life assurance specially adapted to the circumstances of the artisan or laboring classes, or those in a similar rank of life. Industrial life assurance could be applied to the great bulk of the business of life assurance in Canada, for all Canadians belong to the industrial or industrious class. The title, though vague, has gained a foothold, and, like many other words, has established a claim to recognition by its utility, regardless of a philological defect. Industrial life assurance is, no doubt, a form of "Thrift," as the Sun Life of Canada styles it. It is also "Provident," as designated by the North American. The origin of this form of business is in doubt. There are traces of it in pagan times, and some features of the mediæval Guild were akin to the objects of an industrial assurance society. What is, however, definitely known is that a society specifically intended to carry on life assurance for the working classes was organized in England half-a-century ago. No doubt the enterprise was suggested by the Burial and Sick Benefit Clubs, the wrecks of which by thousands strew the paths of the last century. A British Act of Parliament passed in August, 1896, defines an industrial-assurance company as:—

"Such a body of persons, whether corporate or incorporate, granting assurances on any one life for a less sum than £20, as receives contributions or premiums by means of collectors at a greater distance than ten miles from the registered office or principal place of business of the company, and at less periodical intervals than two months."

Mr. Arthur B. Eedy, General Secretary of the Citizens' Life Company, of Melbourne, whose paper on this subject we shall freely use in the following remarks, defines this business as:—

"A system under which the working classes can purchase as much assurance as they are able to buy, no matter how small the amount, provides the machinery when and where to collect the premiums, and insures the immediate payment of the benefit. It is assurance covering all healthy human lives between the ages of one next birthday and seventy inclusive, is applicable alike to both sexes, and admits of a premium as small as 1d. per week."

This definition is too particular and also too diffuse for general use. It includes child insurance a feature of industrial, which is far from being a universal custom, and it fixes a minimum which is not generally recognized. The essential differentia of industrial life assurance business are, the payment of premiums at short intervals, weekly, monthly or quar-

terly; the collection of premiums at the house of the assured; the making the unit of premium a fixed sum—so many cents per week, or a multiple thereof, which unit regulates the amount of the assurance; the inclusion of other members of the assured's family; and the dispensing with a medical examination, though retaining the right to have one made under certain circumstances. The principal English company doing this business combines with it old age endowments, deferred annuities, joint life insurances, whole life insurances at rates from 1d. a week upwards, its average per policy being about \$50. There being no medical examination, it is usual to have the benefits graded during first year, so that if death occurs during first six months the amount payable is one-fourth, and if in next six months one-half the amount of the policy. In Great Britain and Australia the full amount is paid, whenever death occurs, if it was accidental. The British Board of Trade returns give the following statistics of industrial life companies:—

INDUSTRIAL LIFE ASSURANCE IN GREAT BRITAIN.

YEAR.	No. of Companies.	No. of Policies.	Insurance in force.	Average Amount
1900.....	10	18,653,846	\$905,677,600	48.55
1899.....	10	17,857,134	863,247,280	48.35
1895.....	7	14,990,581	720,712,800	48.00
1891.....	8	9,879,928	454,918,800	46.00

The gradual increase in the average amount of the policies is very marked, and the enormous amount of industrial assurances in Great Britain speaks well for the thrift of the working classes. In the United States the industrial business has made great strides since introduced from England twenty-three years ago, as the following shows:—

INDUSTRIAL LIFE ASSURANCE IN THE UNITED STATES.

YEAR.	No. of Companies.	No. of Policies.	In force.	Average Policy.
1899.....	14	10,048,943	\$1,192,750,600	\$118.60
1895.....	11	7,375,688	886,485,000	120.00
1891.....	9	4,302,427	486,060,700	112.90
1876.....	1	2,500	143,340	97.00

The larger average of American industrial policies—\$48.55 compared with \$118.60—and the enormous extent of the business in the States prove that the soil is favourable for the business, and the companies conducting it are popular.

INDUSTRIAL LIFE ASSURANCE IN CANADA.

In Canada the figures for 1898 and 1899 were:—

YEAR.	No. of Companies.	No. of Policies.	In force.	Average Policy.
1900.....	4	144,601	\$16,381,528	\$113.2
1899.....	4	127,286	14,480,637	113.8

The latest available returns of industrial life assurance as given in the paper read by Eedy before the Institute of Victoria, Melbourne, with Canada added, and the averages calculated, give the following totals:—