the interest rate. However, in the belief that the building of small homes should be fostered, the Metropolitan Life, a little over a year ago, agreed to advance approximately $650,000 for building small homes in the Borough of Brooklyn. The real estate company which took this loan contracted that the building plans should be submitted to the insurance company for supervision and that the cost of the houses to the purchaser should include only a fair profit over the actual cost of the land and the construction of the building. The houses which have been built under this plan can hardly be called workingmen's homes, since they are sold at $5,500 each—land values making it prohibitive to build a house at a lower cost. The Metropolitan, however, believes that if houses of this kind can be sold—and a demand shown for them under the conditions of the sale, that smaller houses at lower cost could similarly be built in other sections of the city and in other parts of the United States. Under the present plan, the Metropolitan Life takes a first mortgage of $3,250, payable in semi-annual instalments in twenty years. The building company takes the second mortgage which is payable in quarterly instalments in 12 years. An initial payment of $750 is asked from the purchaser, but this need not all be paid at one time. Making a suitable allowance for taxes and water rate and fire insurance, the total average payments which have to be made per month during the entire period of twenty years are only $37, the interest on both mortgages being 6 per cent. Moreover, the cost of $5,500 includes a single premium on a life insurance policy under which, if the insured die before the mortgage is paid up the property reverts free and clear of all encumbrances to his estate. The amount of insurance from year to year on this policy exactly covers the amount of mortgage still outstanding. The insurance, however, is not compulsory. If the purchaser does not desire this protection, the house is sold to him for $5,500 less the cost of the single premium.

IS A LOWER RATE OF INTEREST POSSIBLE?

The Metropolitan Life has been considering the advisability of making loans similar to these at an interest rate of 5½ per cent. But there seems little doubt that the insurance departments would view with disfavor the attempt on the part of an insurance company to lend money at a lower rate of interest, for the purpose of facilitating or encouraging the erection of working men's homes, than could be obtained in the open market on mortgage investments. So that the problem is beset with difficulty. The officers of the Metropolitan, however, says Dr. Frankel, are strongly of the impression that since these funds come to a greater or less extent from policyholders who wish to own their houses, every legitimate opportunity should be fostered to enable them to become such owners. In his view, a simplification of the problem could be brought about, if it were possible to adopt a system of building associations similar to those in Belgium, which would act as an intermediary between the insurance company and the borrower. The association would look after the collection of interest, make the necessary arrangements with the purchaser for the erection or sale of his house, and through its capital stock as a security would practically be able to guarantee to the insurance company the repayment of both principal and interest. Such a building association, in Dr. Frankel's opinion, with the funds of the insurance company at back of it for mortgage purposes, would in time become one of the powerful factors in the solution of the problem of economical and efficient housing of the working classes. It is thus apparent that while the Metropolitan Life's experiment has been successful so far as it goes, the whole problem contains many difficulties which have yet to be solved. But it is clear from what has been already done that the matter is being approached in a statesmanlike and eminently practical manner. It is a satisfaction to find some of the best brains in life insurance being devoted to problems of this kind.

PRINCIPAL FIRES IN CANADA, INVOLVING LOSS OF $5,000 AND OVER, MARCH, 1913.

March, 1913.	Place.	Risk.	Loss.
2	Merritton, Ont.	Paper mills	$ 50,000
3	Montreal	Alimentary paste factory	70,000
4	Palmerston, Ont.	Malting plant	*99,000
4	Victoria, B.C.	Hotel	20,000
5	St. John, N.B.	Corn meal plant	5,000
6	Govan, Sask.	Stores	30,000
6	Flesherton, Ont.	Church	6,000
6	Sunderland, Ont.	Business block	25,000
7	New Liskeard, Ont.	Business blocks	15,000
7	Acme, Alta.	Store	5,000
7	Winnipeg	Drug store	6,000
8	Edson, Alta	Business block	25,000
8	Ottawa	Woodworking plant	70,000
8	Charlottetown, P.E.I.	Cathedral	300,000
9	St. Catharines, Ont.	Metal Works	10,000
13	Chicoutimi, Que.	Store	5,000
13	Kamloops, B.C.	Lumber	28,000
13	Chase River, B.C.	Residence	5,000
16	Winnipeg	Bungalow	6,000
17	Delhi, Ont.	Saw mills and lumber	12,000
18	Toronto	Apartments	5,000
18	Oak River, Man.	Hotel	35,000
19	Montreal	Roofing factory	7,000
19	Medicine Hat, Alta.	Cannery plant	110,000
20	North Vancouver, B.C.	Coach building premises	6,500
21	Sarnia, Ont.	Thresher Mfg. plant	50,000
21	Montreal	Wholesale grocers, etc.	100,000
22	La Salette, Ont.	Church	25,000
24	Winnipeg	Oil Company's plant	15,000
24	Montreal	Wharf-shed, steamer, etc.	75,000
25	Maitland, N.S.	Stores	10,000
27	Springhill, N.S.	Bank and store	35,000
28	Madoc, Ont.	Stores	20,000
29	Montreal	Stores	100,000
29	New Liskeard, Ont.	Store	5,000
29	Owen Sound, Ont.	Drill shed	10,000
30	London, Ont.	Hotel and houses	8,000

* Insurance loss.