

# British America Assurance Company.

## FIRE AND MARINE.

Incorporated 1833.

Head Office—British America Buildings, cor. Front and Scott Streets, Toronto.

### BOARD OF DIRECTORS.

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Cash Capital, \$750,000.00. Total Assets, over, \$1,265,570.70. Losses paid since Organization, \$12,475,201.09.

GEO. A. COX, Esq., President.

J. J. KENNY, Esq., Vice-President.

P. H. SIMS, Secretary.

VOL. XIII.

NO 9.



# THE Federal Life Assurance Co'y

OF ONTARIO.

HEAD OFFICE, - - HAMILTON, ONTARIO.

Guarantee Capital, \$700,000.00.

Amount Assured, \$10,564,893.22.

FULL GOVERNMENT  
DEPOSIT.

Surplus Security, \$690,212.88.

Best Investment Plans of Insurance.

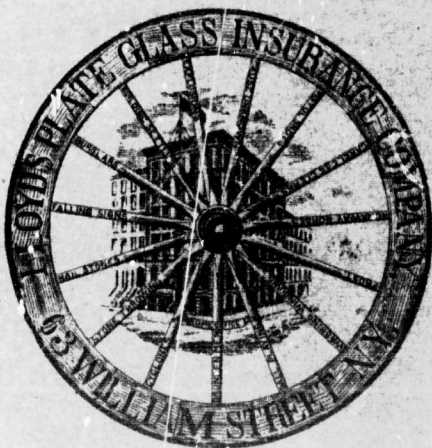
Policies on all the Popular and Equitable Plans.

JAS. H. BEATTY, PRESIDENT.

DAVID DEXTER, MANAGING-DIRECTOR.

THE BUDGET.

"THE HJB" OF PLATE GLASS INSURANCE.



Largest Assets, Largest Income and Largest Reserve  
of any Plate Glass Insurance Co. in the World.

**Canada Life**  
ASSURANCE COMPANY.

ESTABLISHED 1847.

HEAD OFFICE, - - HAMILTON,  
ONTARIO.

<i>Capital and Funds</i>	<i>Annual Income</i>
Over \$13,000,000	Over \$2,250,000

President, A. G. RAMSAY.

Secretary,

Superintendent,

R. HILLS.

W. T. RAMSAY.

EASTERN ONTARIO BRANCH:

TORONTO, - - - ONTARIO.  
GEO. A. & E. W. COX, Managers.

FIRE

LIFE

MARINE

**Commercial Union Assurance Company Ltd.**

OF LONDON, ENGLAND.

CAPITAL AND ASSETS	\$25,000,000
LIFE FUND (in special trust for Life Policy Holders)	6,000,000
TOTAL NET ANNUAL INCOME	5,700,000

CANADIAN BRANCH:

Head Office, - - - MONTREAL,

EVANS & MCGREGOR, Managers.

R. WICKENS, Gen'l Agent, Toronto and County, York.

**Alliance Assurance Company**

OF LONDON, ENGLAND.

CAPITAL, - \$25,000,000.

GEO. H. McHENRY, Manager for Canada, - - - 157 St. James Street, Montreal.

GEO. McMURRICH, Agent, - - - TORONTO

Box 17 File 15

# WESTERN Assurance Co.



## FIRE AND MARINE.



**DIRECTORS:**

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GEORGE A. COX,  
VICE-PRESIDENT.

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H. N. BAIRD. GEO. McMURRICH.

W. R. BROCK.

J. J. KENNY,

MANAGING DIRECTOR.

C. C. FOSTER,  
SECRETARY.

HEAD OFFICES COR. WELLINGTON & SCOTT STS.

## TORONTO.

CAPITAL . . . . .	\$2,000,000.00
CASH ASSETS OVER . . . . .	\$1,900,000.00
ANNUAL INCOME . . . . .	\$2,300,000.00
LOSSES PAID SINCE ORGANIZATION . . . . .	\$18,000,000.00

AGENCIES IN ALL PRINCIPAL CITIES AND TOWNS IN CANADA AND UNITED STATES.



THE  
**Excelsior Life Insurance Co'y**  
OF ONTARIO (Limited)

INCORPORATED 1889.

Equity Chambers, N. E. Cor. Adelaide & Victoria Streets, Toronto  
SUBSCRIBED CAPITAL, - - - \$354,500 00.

A HOME COMPANY WITH MOST LIBERAL AND ATTRACTIVE PLANS AND FEATURES.

LARGEST ASSETS in Comparison to Liabilities.  
HIGHEST RATE of Interest on Investments.

LOWEST for cost of Management, in cost of obtaining new business, and in rate of mortality.

POLICIES NON-FORFEITABLE, INCONTTESTABLE, AND ENTITLED TO LARGE PERCENTAGE OF PROFITS.

VACANCIES FOR GOOD RELIABLE AGENTS.

E. MARSHALL,  
SECRETARY.

E. F. CLARKE,  
MANAGING DIRECTOR.

**PROVIDENT SAVINGS LIFE**  
ASSURANCE SOCIETY OF NEW YORK.  
SHEPPARD HOMANS, - - - President.

Eighteenth Annual Statement for the year ending  
December 31st, 1892.

Income	\$1,902,222.39
Paid Policy-holders	1,181,498.36
Total Expenses of Management	464,141.34
Gross Assets	1,292,040.23
Liabilities, Actuaries' 4% Valuation	605,215.00
Surplus, Actuaries' 4%	681,795.23
Surplus American Experience, 4%	716,395.23

Policies issued in 1892	\$19,517,516.00
Policies in force December 31st, 1892	76,843,241.00

\$50,000 DEPOSITED WITH THE DOMINION GOVERNMENT.

CANADIAN DEPARTMENT—37 YONGE STREET, TORONTO.

R. H. MATSON,  
GEN. MANAGER FOR CANADA.

F. SPARLING,  
ASSIST. MANAGER.

**Gore District Fire Ins. Co.**

HEAD OFFICE - GALT, ONT.

ESTABLISHED 1836.

PRESIDENT, JON JAS. YOUNG, M.P.P.  
VICE-PRESIDENT, ADAM WARKOCK, Esq.  
MANAGER, R. S. STRONG.

S. BRUCE HARMAN - AGENT,  
19 WELLINGTON ST. EAST, TORONTO.

THE  
**Dominion Life Assurance Co.**

Authorized Capital	\$1,000,000
Subscribed Capital	\$352,000
Dominion Government Deposit	\$50,000
Paid up in Cash	\$63,150

HEAD OFFICE—WATERLOO, ONT.

JAMES TROW, M.P., PRESIDENT.  
P. H. SIMS, VICE-PRESIDENT.  
THOS. HILLIARD, MANAGING DIRECTOR.  
AGENTS WANTED IN UNREPRESENTED DISTRICTS.

**The Perth Mutual Fire**  
INSURANCE COMPANY.

ESTABLISHED 1863.

HEAD OFFICE—STRATFORD, ONT.

Insures Buildings, Merchandize, Manufactories, and all other descriptions of Property on the Cash or Premium Note System.

JAMES TROW, M.P., WM. MOWAT, Banker, PRESIDENT.  
CHAS. PACKERT, SECRETARY.  
HERBERT A. SHAW, City Agent, 9 Toronto Street, Toronto.

**Wellington Mutual Fire**  
INSURANCE COMPANY.

ESTABLISHED 1840.

HEAD OFFICE - - - GUELPH, ONT.

Business done on the Cash and Premium Note System.

P. W. STONE, CHAS. DAVIDSON, PRESIDENT, SECRETARY.  
A. T. WOOD, 24 SCOTT STREET,  
AGENT FOR TORONTO.

**IMPERIAL**  
Insurance Company, Limited,  
FIRE

ESTABLISHED AT LONDON IN 1803.

Subscribed Capital, £1,200,000  
Cash Assets, more than \$9,000,000

107 St. James Street, Montreal.

E. D. LACY,

Resident Manager for Canada

**Huron & Middlesex**  
Mutual Fire Insurance Co.

HEAD OFFICE—LONDON, ONT.

This Company does a general Fire Insurance business. Rates charged according to hazard. Business done exclusively on the Premium Note System.

L. C. LEONARD, Esq., D. M. CAMERON, M.P., PRESIDENT, VICE-PRESIDENT.  
JOHN STEPHENSON, MANAGER & SECRETARY.

Agents wanted in unrepresented Districts.

**PHENIX**  
FIRE INSURANCE COMPANY,  
LONDON.

Established in 1782

Canadian Agency established in 1804.

Losses paid since the establishment of the Company have exceeded £12,000,000 Sterling.

Balance held in hand for payment of fire losses only, exceeds £600,000 Sterling.

Liability of Shareholders Unlimited.

**GILLESPIE, PATERSON, & Co.**

General Agents for the Dominion of Canada.

CHIEF OFFICE:  
12 ST. SACRAMENT ST., MONTREAL.  
R. McD. PATERSON, MANAGER.

TORONTO OFFICE:  
**LEWIS MOFFATT & CO.,**  
20 TORONTO STREET.  
TELEPHONE COMMUNICATION.

**UNITED FIRE**  
Insurance Company  
LIMITED  
OF MANCHESTER, ENGLAND.

This Company in addition to its own ample Funds has the Security of those of

THE PALATINE INSURANCE COMPANY OF ENGLAND the combined Assets being as follows:

Capital subscribed	\$5,500,000
Capital paid up in cash	1,250,000
Funds in hand	2,750,000
Deposit with Dominion Government for protection of Canadian policyholders, (including City of London deposit)	241,000

HEAD OFFICE FOR CANADA:  
1740 NOTRE DAME STREET, MONTREAL.  
J. A. ROBERTSON, T. H. HUDSON, Supt. of Agencies, Resident Manager.

EASTMUIR & LIGHTBOURNE, Agents,  
3 Toronto Street, Toronto.  
The "UNITED" having acquired by purchase the business and good will of the CITY OF LONDON INSURANCE CO., and assumed all the liabilities of that Company, is alone entitled to the benefit of the connection thus formed, the continuance of which it respectfully solicits.

**NORTHERN**  
Assurance Company  
of England.

INCOME AND FUNDS (1891).

Capital and Accumulated Funds	\$35,285,000
Annual Revenue from Fire and Life	5,380,000
Premiums and from Interest upon invested Funds	
Deposited with the Dominion Government for security of Canadian Policy Holders	290,000

HEAD OFFICES:  
LONDON AND ABERDEEN.  
BRANCH OFFICE FOR CANADA:  
MONTREAL, 1724 NOTRE DAME STREET.  
BANKERS—BANK OF MONTREAL.  
G. E. MOBERLY, INSPECTOR.  
ROBERT W. TYRE, MANAGER FOR CANADA.  
E. P. PEARSON - AGENT FOR TORONTO.

**Albion Fire Insurance Association, Lt'd**

OF LONDON, ENGLAND.

Head Office for Canada—No 47 St. FRANCOIS XAVIER STREET, MONTREAL.

CANADIAN COMMITTEE—

CHAIRMAN—SIR DONALD A. SMITH, K.C.M.G., M.P., (President Bank of Montreal).

DIRECTORS—ROBERT BENNY, Esq. SANDFORD FLEMING, Esq., C.E., C.M.G.

A. DEAN, INSPECTOR.

JOHN KENNEDY, MANAGER FOR CANADA.

BRUCE HARMAN, GENERAL AGENT, 19 WELLINGTON STREET EAST, TORONTO



# The Budget,

INSURANCE. FINANCE. COMMERCE.

VOL. XIII.

TORONTO, ONTARIO, SEPTEMBER, 1893.

No. 9.

## The Budget

ISSUED Monthly from the Office of Publication, No. 34 Victoria St.

Annual Subscription, in advance - - - \$1.00

Single Copies - - - - - 10 cts.

RATES of Advertising furnished upon application.

W. CAMPBELL, Editor & Proprietor.

All communications for this Journal should be addressed to  
34 Victoria Street, Toronto, Ont.

TORONTO, SEPTEMBER, 1893.

### IN EXPLANATION.

We have to apologize to our readers for the delay of about a week in the issue of this number of THE BUDGET. The reason is that the affairs of the journal itself have been more or less entangled in those of the printing office carried on by the same company, which office has been closed up under the existing financial stress. The Editor of THE BUDGET, however, never pretended to be a printer, but an insurance journalist, and in this business he proposes to continue.

The difficulties incident to the closing of the Budget Printing and Publishing Company's mechanical department have become known to many insurance men, and to all these we have to return thanks for the kindness they have shown and the good will they have expressed. Contracts made with THE BUDGET will be carried out to the satisfaction of all who have entrusted their interests to it. We have arranged for the continuance of an insurance journal on the same lines as have been followed by THE BUDGET from the beginning, and we expect that the release from the many problems involved in the printing business will enable us to issue a better paper than before and one which will improve more rapidly than ever.

Should any subscriber not receive his paper in regular course the fault will be due to confusion consequent upon new arrangements. We desire to correct any such errors and would ask our friends to inform us of them when they occur.

### INSURANCE IN CANADA, 1892.

The report of the Superintendent of Insurance of the Dominion of Canada for the year ended December 31st, 1892, is the beginning of the year, and including the amounts estimated

replete with information of the business of the year, from which we make the following extracts and summaries, omitting the tables. For the principal tables of each branch of insurance, for the year, see THE BUDGET of May last.

### FIRE AND INLAND MARINE INSURANCE, 1892.

"During the year 1892, the business of fire insurance in Canada was carried on by 40 companies; of these 8 were Canadian, 24 British and 8 American. Inland Marine Insurance was also transacted by 4 of them (2 Canadian, 1 British and 1 American), and Ocean Marine by 2 of them (both Canadian). This list of companies differs from that of the previous year by the addition of 1 Canadian company, the Mercantile Fire Insurance Company, and 2 British companies, the Alliance, and the Sun Fire, and the withdrawal of one British company, the Queen of Liverpool. One British company (the British and Foreign Marine) carried on the business of inland marine insurance exclusively."

"The British companies above mentioned, to which licenses were issued, were respectively licensed on the 29th day of February, 1892, and the 3rd day of June, 1892, and the Mercantile Fire on the 20th day of June, 1892. The company last mentioned is a provincial company, incorporated by an Act of the Legislature of the Province of Ontario, and carried on business in that province before the issue of the Dominion license."

### FIRE PREMIUMS AND LOSSES IN CANADA IN 1892.

"The cash received for premiums during the year in Canada has amounted to \$6,512,327, being greater than that received in 1891 by \$343,611; and the amount paid for losses has been \$4,377,270, which is greater than that paid in 1891 by \$471,573."

The ratio of losses paid to premiums received was, total amount of premiums received \$6,512,327; losses paid, \$4,377,270; rate of losses paid to premiums received, 67.22. For 1891, the rate was 63.31.

The corresponding results for the twenty-four years, 1869-1892, over which the insurance report extends, were; premiums received, \$98,519,114; losses paid, \$68,160,386; rate of loss paid to premiums received, 69.18. This is not a good showing, for if the expenses be added, the result would be the elimination of the premiums, thus:—loss-rate as above, 69.18, expenses 30 per cent, a low rate, result 99.18, losses paid to per cent of premiums received.

The Canadian companies made a poor showing as compared with that of the British and American companies. The loss-rate of the Canadian companies was 71.78; that of the British 68.41; and of the American 66.62. Excluding the year of the disastrous fire of St. John (1877), the average loss-rate would be 62.97.

"Obtaining an approximation to the losses incurred during the year, by excluding the payments for losses outstanding at

for those of the year still unsettled, the ratio of the losses incurred to premiums received comes out 68.64 per cent., which is 4.69 per cent. greater than the 63.95 of the previous year, and is 6.68 per cent greater than the average for the last fifteen years (61.96)."

The loss-rate in the several provinces of the Dominion was: Ontario, 66.16 (1891, 63); Quebec, 68.68 (1891, 64.23); Nova Scotia, 45.91 (1891, 65.80); New Brunswick, 105.73 (1891, 49.68); Prince Edward Island, 58.66 (1891, 55.78); Manitoba, 53.39 (1891, 29.59); British Columbia, 36.54 (1891, 51.89).

#### FIRE INSURANCE IN CANADA, 1892.

"The gross amount of policies, new and renewed, taken during the year by fire companies was \$687,175,688, showing the large increase of \$63,757,266 over the amount taken in 1891. The premiums charged thereon amounted in 1892 to \$8,080,503.18, being an increase of \$838,008.74 over the amount charged the previous year. The rate of premiums is somewhat greater than that of 1891, and the loss rate (67.22) is greater (3.91) being 4.25 per cent greater than the average loss rate (62.97) for the past twenty-four years, the year 1877 being excluded."

"The increase in the amounts taken in 1892, as compared with 1891, among British companies, is \$55,152,738; and among American companies, \$31,982,037; among Canadian companies there is a decrease of \$23,377,509."

#### BRITISH FIRE COMPANIES.

"The total cash receipts from premiums were \$4,706,205, being an increase of \$517,034, as compared with the previous year; the payments for losses were \$2,878,149, being \$321,987 greater than for 1891; while the general expenses amounted to \$1,375,115, being \$209,120 greater than in 1891, thus leaving a balance of \$472,941 in favour of the companies. In the previous year this balance was \$470,014."

"Collecting the results for the eighteen years, from 1875 to 1892, as regards the receipts for premiums and the expenditure of the British companies, we find:

Paid for losses (1875-92).....	\$37,233,629
do general expenses.....	13,689,912
Total payments.....	\$50,928,541
Received for premiums.....	54,577,499
Excess of receipts over payments.....	\$3,648,958 "

The report goes on to show "that an adverse balance was in existence from the year 1877 until the end of the year 1886, due to the exceptional circumstances of the conflagration at St. John in the first mentioned year—when the losses paid by British companies amounted to almost five millions of dollars; that such adverse balance was reversed at the end of the year 1887, when a favourable balance of \$341,398 was shown, and that this favourable balance has since increased from year to year, amounting, at the close of 1892, to \$3,648,958."

#### AMERICAN FIRE COMPANIES.

"The receipts for premiums were \$1,009,978; the payments for losses \$706,903; and the general expenses \$319,562. Hence, for every \$100 of premiums received there were spent on the average \$69.99 in payment of losses, and \$31.64 in general expenses."

"The results of the total business of these companies, from 1875 to 1892, inclusive, are as follows:—

Paid for losses (1875-92).....	\$5,024,623
do general expenses.....	1,792,883
Total payments.....	\$6,817,506
Received for premiums.....	7,525,571
Excess of receipts over payments.....	\$ 708,065 "

#### CANADIAN FIRE COMPANIES.

"In considering the Canadian companies, their whole fire insurance business, in Canada and elsewhere, as well as their whole marine business must be taken into account, inasmuch as a separation of expenses between these branches has not been made."

A tabular statement shows that the risks taken in Canada, by the Canadian companies, during the year, amounted to \$66,455,261; premiums received to, \$629,708; losses paid, \$485,446; the rate of losses to premiums received was, 77.09. This is bad work for the Canadian companies. The risks in other countries by the Canadian companies, during the year, amounted to \$182,804,521, the bulk of which, or \$122,662,169, was taken by the Western. The premiums amounted to \$1,907,652; losses paid, \$1,191,545; the rate of losses to premiums, was 62.46. This is much better than was the home business of the companies for the year.

But there is another side to this. Taking the period of fifteen years, 1878-1892, the premiums received by the Canadian companies, on their home business, amount to \$11,481,432; losses paid, \$7,149,843; rate of losses to premiums received, was 62.27. The premiums received on their risks in other countries, during the term, amounted to \$22,295,219; losses paid amounted to \$15,455,032; and the rate of losses to premiums received was, 69.32; showing difference of 7.05 of loss rate in favor of the home risks for the period named.

"The assets of the eight Canadian companies doing fire business amounted, at the end of the year, to \$4,284,057, covering a total amount of insurance of all kinds of \$331,888,141, being at the rate of \$12.91 for every \$1,000 of insurance in force; they have also a reserve of subscribed capital not called up, amounting to \$2,290,108, making a total security of \$19.66 for every \$1,000 insured. The liabilities of the same companies amounted to \$2,718,215, made up as follows:—

Unsettled losses.....	\$ 367,604
Unearned premiums.....	2,147,424
Sundry.....	203,188
Total.....	\$2,718,215 "

"The unearned premiums are here taken to be the *pro rata* proportions of the gross premiums for the time unexpired in the cases of fire and inland marine insurance, and the whole premium in the case of current ocean risk. The surplus of assets over liabilities available for the protection of policy-holders, independent of the reserve of subscribed capital not called up, amounts to \$1,565,842."

"The capital stock of these companies, paid up or in course of payment, amounts to \$1,641,287, and the result shows an excess of liabilities, including this capital, over assets to the amount of \$75,445. At the end of 1891 there was a impairment of \$11,913."

"Including the whole business of the mixed companies, as

well outside as within the Dominion, it appears that the Canadian companies have received during the year 1892 a total cash income of \$3,780,955.33 (exclusive of \$100,000 received on account of capital stock)."

In the same way, the cash expenditure, during 1892, was \$4,024,188.54.

"Thus, it appears for every \$100 of income there has been spent \$106.43, namely, for losses, \$64.93; for general expenses, \$38.11; and for dividends to stockholders, \$3.39. Hence, also, for every \$100 of premiums received there has been paid out \$68.57 for losses, \$40.25 for expenses, and \$3.53 for dividends to stockholders."

"The total cash income received by the Canadian companies during the 18 years from 1875 to 1892 inclusive, is \$62,269,187.01."

"The expenditure of the same companies during the same period of 18 years amounted in the aggregate to the sum of \$63,496,037.20, thus showing an excess of expenditure over income to the amount of \$1,226,850.19."

INLAND NAVIGATION AND OCEAN MARINE INSURANCE, 1892.

"Including the Canadian inland marine business of the British and Foreign Marine, the London Assurance and the *Ætna*, and the whole inland marine and ocean business done by the two Canadian companies, the following are the results of the year:—"

*Inland Navigation.*

"Premiums received, \$393,586; losses incurred, \$278,974, of which were paid \$262,288, leaving a balance of \$16,686 of them still unsettled. There was also paid during the year the sum of \$23,322 on account of losses incurred in previous years, making the total payments during the year, on account of losses, \$285,610, while the total outstanding or unsettled losses at the end of the year were \$16,686."

*Ocean Marine.*

"Premiums received, \$242,256; losses incurred, \$147,120, of which were paid \$127,515, leaving a balance of \$19,605 of them still unsettled. There was also paid during the year \$17,115 on account of losses incurred in previous years, making the total payments during the year, on account of losses, \$144,630, while the total outstanding or unsettled losses at the end of the year were \$24,704."

"The inland marine business has been, on the whole, less favourable than the year previous. The losses incurred in the inland marine business amounted to 70.88 per cent of the premiums received, while last year the rate was 51.08."

"In the ocean business the rate of losses incurred to premiums received was 60.73, while last year it was 136.17. The bulk of the ocean business is transacted by companies which are not required to be licensed, and do not report to this department."

LIFE INSURANCE, 1892.

"The business of life insurance has been transacted by 31 active companies, of which 12 are Canadian, 9 British and 10 American."

"The list of life companies differs from that of the previous year by the addition of one Canadian company, The Great West, whose head office is at Winnipeg, Manitoba, to which a license was issued on the 18th day of July, 1892."

"The Queen, of Liverpool, having ceased doing business in Canada, made application in November, 1892, for the release of its life deposit, and its outstanding Canadian policies having been either surrendered or transferred to and reinsured by the

Royal, and the requirements of the Insurance Act having been fully complied with, said deposit was released on the 13th day of April, 1893."

INSURANCE EFFECTED DURING THE YEAR.

"The total amount of policies in Canada taken during the year 1892 was \$44,620,013, which is greater than the amount taken in 1891 by \$6,753,726. The Canadian companies show an increase in 1892 of \$3,681,232; the American companies have an increase of \$2,394,527, while in 1891 they had a decrease of \$576,341, and the British companies have an increase of \$677,967, whilst in 1891 they had a decrease of \$443,726, the total increase in 1892 being \$6,753,726, as above stated."

"The respective amounts effected are:—"

Canadian companies	.....	\$25,585,534
British do	.....	3,625,213
American do	.....	15,404,266

"So that the amount taken by native companies exceeds that taken by the British and American together by over \$6,500,000."

*Life Insurance in Force in 1892.*

"The total amount of insurance in force at the close of the statements was \$279,110,265, which shews the large increase of \$17,635,036 over that of the previous year, being distributed as follows:—"

	Total in force.	Increase.
Canadian companies.	\$154,709,077	\$11,340,260
British do	33,692,706	1,244,769
American do	90,708,482	5,010,007
Total	\$279,110,265	\$17,635,036

The total life insurance effected during the eighteen years, 1875-1892, was \$471,789,424, of which the Canadian companies effected \$263,283,754; the British companies \$52,734,433; and the American companies \$155,784,863. The amount of insurance in force at close of 1892 was \$279,110,265; of which there was in the Canadian companies \$154,709,077; in the British companies \$33,692,706; and in the American companies \$90,708,482.

*Amount of Insurance terminated in 1892.*

"The amount of insurance terminated in natural course, namely, by death, maturity or expiry, was \$5,331,983, which is greater by \$432,918 than the corresponding amount in the previous year; and the amount terminated by surrender and lapse was \$22,598,994, being greater than that in the previous year by \$2,968,826."

"Relatively to the amounts at risk the amounts so terminated are somewhat greater than those of the previous year, giving for every \$1,000 of current risk \$18.79 terminated in natural course and \$79.63 by surrender and lapse, making a total of \$98.42. In the year 1891, these rates were \$18.33 and \$73.42, respectively, making a total of \$91.75, thus giving a difference of \$6.67 for each \$1,000 at risk."

"The total termination amounts to about 62.50 per cent of the amount of new policies. The actual amounts of termination were distributed as follows:—"

	Naturally.	By Surrender and Lapse.
Canadian companies.	\$2,498,041	\$12,031,370
British do	713,639	1,738,820
American do	2,120,303	8,828,804
	\$5,331,983	\$22,598,994



*Canadian Policies in Force.*

"Omitting the industrial policies of the North American, London Life and Metropolitan, the number of Canadian policies in force at the date of the statements was 155,971, insuring \$276,389,747, of which the Canadian companies had 91,503 policies, for \$153,194,673; the British companies 16,469 policies, for \$33,692,706; and the American companies 47,999 policies, for \$89,502,368. The average amount of a policy was, Canadian companies, \$1,674; British companies, \$2,946; and American companies, \$1,865.

"The average amount of *new* policies is, for Canadian Companies, \$1,660; for British Companies, \$2,085; and for American, \$1,911. The corresponding amounts last year were \$1,624, \$1,857 and \$1,970."

## DEATH RATE.

"In the calculation of the death rate this year, as in previous years, the mean number of policies in force and the number of policies terminated by death during the year have been admitted as approximations to the mean number of lives exposed to risk and the number of deaths during the year respectively, in the case of those companies which have not reported these items. It is believed that the results arrived at represent the actual mortality among insured lives in Canada, as accurately as can be gathered from the returns of the companies."

The premium income during the 18 years, 1875-1892, amounted to \$86,914,030, of which the Canadian companies received \$39,240,480; the British companies, \$13,841,446; and the American companies, \$33,832,104. Including the business done outside of Canada, by the Canadian companies, the total premium income during the last 14 years, 1879-1892, was \$77,221,081; and the payments to policy holders, \$41,615,607, showing rate of payments to policy holders, per cent. of premiums, 53.89.

The total premium income, during the last 14 years, of the life insurance companies which have ceased to do business in Canada, amounted to \$4,371,930; and the payments of policy holders amounted to \$5,393,919, showing ratio of payments to policy-holders to premiums reserved, 123.36! Here come in the benefits of old-line life insurance to its policy holders. It goes right on paying the insured; fulfilling its contracts to the end, even when, as in the above case, the sums paid to the policy holders far exceed the premium income. The payments here exceed by 23.36 per cent. the premium income during the period.

"The Canadian companies have received an income drawn from premiums and annuity sales, \$5,006,717.35; interest and dividends, \$1,138,158.84; Sundry, \$35,850.56; total \$6,180,726.75; and they expended: paid to policy holders and annuitants, \$2,438,040.22; general expenses, \$1,210,501.29; dividends to stockholders, \$57,009.70; total expenditure \$3,705,551.21."

"Hence out of every \$100 of income they have expended in payment to policy holders \$39.45; in general expenses, \$19.59; and dividends to stockholders, \$0.92, leaving \$40.04 to be carried to reserve."

"The amount of risks in force has increased from \$30,541,867, in 1878, to \$161,577,539, a gain of \$131,035,672, and the reserves have increased from \$3,477,185, in 1878, to \$22,228,020, in 1892 an increase of \$18,750,835."

## ASSESSMENT LIFE INSURANCE 1892.

"The business of life insurance upon the assessment plan has been transacted by eight companies, of which five are

Canadian and three American. Of the Canadian companies, one, the Home Life Association, was licensed during the year."

"The total amount of policies taken during the year 1892 was \$10,740,475, which is less by \$49,650 than the amount taken in 1891, which latter was greater by \$2,842,625 than the amount taken in 1890. The net amount in force at the end of the year was \$43,905,575, which shows an increase of \$1,552,672 over that of the previous year."

"The amount of insurance terminated by death was \$410,835, and by surrender and lapse, \$9,360,743, giving for every \$1,000 of current risk \$8.61 terminated by death and \$196.15 by surrender and lapse."

"The total terminations amount to 90.98 per cent. of the amount of new policies. The amounts of termination were distributed as follows:—

	By Death.	By Surrender and Lapse.
Canadian companies.....	\$140,260	\$4,931,268
American do .....	270,575	4,429,475
Total .....	\$410,835	\$9,360,743"

"The total amount paid by members for membership fees, annual dues, assessments, &c., was \$582,804, and the amount paid for death claims was \$413,502.

"During the year 1892, two Canadian assessment companies ceased to do business, viz:—The Canadian Mutual Life Association, whose head office was at the city of Toronto, Ontario, and the Mutual Relief Society of Nova Scotia, whose head office was at Yarmouth, Nova Scotia. These companies entered into an arrangement with the Massachusetts Benefit Association, whereby the latter company received and took over the assets of the former and agreed to assume responsibility for their liabilities, either by issuing new policies or guaranteeing the old ones. The agreements were carried out between the companies. Neither of the retiring companies had any deposit with the Receiver-General, and this department having no rights or official duties regarding such agreements, took no part therein.

"The Canadian Order of Woodmen of the World, an association incorporated by Act of the Parliament of Canada, assented to 1st April, 1893, and whose head office is at London, Ontario, was on the 29th day of June, 1893, registered as an assessment company under the Insurance Act."

"In March 1893, the Canadian Provident Association of Montreal, applied to be registered as an assessment company, but such registration was refused."

## ACCIDENT AND GUARANTEE INSURANCE IN CANADA, 1892.

"The business of accident insurance was transacted by nine companies, viz.: 5 Canadian (2 of which combined it with life insurance), 1 American (also combined with life), and 3 British, one of which combined it with guarantee business, and 1 with plate glass insurance."

"This list of companies does not differ from that of the previous year."

"The total accident premiums received in Canada were \$317,643, insuring an amount of \$59,086,779, and the sum of \$152,485 was paid for claims, with \$53,351 claims not settled."

"The guarantee business was conducted by three companies, one Canadian, one British and one American."

"This list does not differ from that of the year 1891."

"The premiums received were \$66,384, guaranteeing an amount of \$11,212,941, and the net amount paid for claims was \$13,046, with \$28,100, claims not settled."

"The Guarantee Company of North America transacts business outside of the Dominion, which is not included in the above."

PLATE GLASS INSURANCE IN CANADA, 1892.

"The business of plate glass insurance was transacted by three incorporated companies, viz.: 1 Canadian, 1 British (combined with accident), and 1 American, and by one firm of individual underwriters, having their chief place of business in the city of Montreal."

"The Dominion Plate Glass Insurance Company and Messrs. Mongenais, Boivin & Co., the individual underwriters above referred to, having adopted the system of insurance by replacement, instead of paying the value of the glass broken, and their contracts not stating any amounts as insured thereby, their returns do not show the amount of insurance effected during the year, nor the amount in force at the end thereof. The premiums received during the year in Canada for plate glass insurance were \$39,466, being greater than the amount received the previous year by \$780, and the total losses incurred were \$15,678, being \$1,628 in excess of the amount incurred in 1891.

"On the 26th day of July, 1893, a license was issued to the Steam Boiler and Plate Glass Insurance Company of Canada, whose head office is at London, Ont., for the transaction of Steam Boiler and Plate Glass Insurance."

CREDIT INDEMNITY.

"The branch of insurance technically known by the above name, was commenced in Canada in January of the present year, when a license was issued to the Canadian and European Export Credit System Company of Newark, New Jersey, to carry on, in the Dominion, the business of insuring wholesale dealers, jobbers and manufacturers against excess losses by reason of bad debts. Four or five companies are engaged in this class of business in the United States, but that above mentioned was the first to apply for admission to Canada. Its progress will be watched with interest."

BURGLARY INSURANCE.

"This branch of insurance, which is transacted to a considerable extent in Great Britain, has been recently introduced into Canada. On the 14th June, 1893, a license was issued to the Dominion Burglary Guarantee Company (Limited), whose head office is at the city of Montreal, to transact the business of guaranteeing against loss or damage by reason of burglary or housebreaking, and of guaranteeing against loss of jewellery, bullion and other movable property deposited with it for safe-keeping. The company was incorporated by an Act of the Parliament of Canada, assented to on the 1st April, 1893."

"At the present there are ninety-four (94) companies under the supervision of this office. The nature of the business transacted by them is as follows:—

Number of companies doing life insurance	40
do do do assessment plan	7
do do fire insurance	37
do do inland marine insurance	8
do do ocean marine do	2
do do accident do	6
do do guarantee do	3
do do steam boiler do	2
do do plate glass do	5
do do credit indemnity do	1
do do burglary guarantee do	1

"The deposits for the protection of policy holders, held by the Honorable the Receiver-General, in trust for these companies, at 18th July, 1893, amounted to \$22,101,445.70 in securities as follows:—

Canada stock	\$ 2,687,038 73
Canada debentures	642,556 66
Canada Provincial debentures	2,854,265 73
United States bonds	1,495,000 00
Swedish Government Bonds	58,400 00
British Government securities	971,676 96
British Colonial securities	482,773 35
Bank deposit receipts	110,000 00
Montreal Harbor bonds	500,000 00
Municipal securities	10,492,289 03
Bank securities	25,420 00
Loan companies' debentures	131,600 00
Canadian Pacific and Canada	
Central Railway bonds	1,650,425 24
Total	\$22,101,445 70

"There was also deposited with Canadian trustees, in conformity with the Act, \$3,800,697, making a total of \$25,902,142.70 for the protection of policy holders, being an increase since last report of \$1,909,269.25."

"The distribution of the total sum of \$25,902,142.70 held, as above mentioned, for the protection of policy holders among the different classes, is as follows:—

Fire and inland marine	\$ 5,770,443 02
Life	19,559,263 74
Accident, guarantee, plate glass, &c	572,435 94
	\$25,902,142 70"

"The total amount of premiums received for all forms of insurance was \$16,759,700, of which \$6,361,365 was received by Canadian companies, and \$10,398,335 by British and American. The following summary shows the distribution of these premiums to the various classes:—

PREMIUMS, 1892.

Fire	\$ 6,512,327
Inland Marine	33,294
Ocean	112,494
Life	9,070,354
Life (assessment)	582,804
Accident	317,643
Guarantee	66,384
Plate Glass	39,466
Steam Boiler	24,934
Total	\$16,759,700

Respecting the present rushing mode of procuring life insurance risks the Superintendent says:—

"The fact that three cases arising out of unpaid promissory notes given for premiums have arisen within so short a space of time indicates, to some extent the amount of business done upon the system which the learned Chief Justice has styled loose and unbusinesslike. There can be little doubt that an inordinate desire for new business and the keen competition at present existing have been largely instrumental in increasing the amount of business done upon the note system. It seems

manifest that in the interest of the existing policy-holders of a company, a note should not be accepted as the consideration for the issue of a new policy, unless there is almost an absolute certainty that such note will be paid at maturity."

#### CHANGES OF NAME

"By Dominion Act assented to April 1st, 1893, the name of the Manufacturers' Accident Insurance Company was changed to the Manufacturers' Guarantee and Accident Insurance Company."

"Notice has been received of the following additional changes in the names of licensed companies: (a) That on the third day of April, 1893, in pursuance of the provisions of the Statutes of the Commonwealth of Massachusetts in that behalf the name of the Association previously known as the Massachusetts Benefit Association was changed to the Massachusetts Benefit Life Association. (b) That on the eleventh day of April, 1893, by special resolution under the English Companies' Act and with the authority of the Board of Trade the name of the company previously known as the Fire Insurance Association (Limited), was changed to the Albion Fire Insurance Association (Limited). (c) That on the 25th of May, 1893, by virtue of an Act of the Imperial Parliament known as the Guardian Assurance Company's Act, 1893, the style of the company previously known as the Guardian Fire and Life Assurance Company was changed to the Guardian Fire and Life Assurance Company (Limited)."

#### LEGISLATION.

"The number of Acts relating to insurance companies passed by the Dominion Parliament in the session of 1893, 56 Victoria, was unusually large. The list is given below:"

"1. An Act to incorporate the Dominion Burglary Insurance Company. (This company has received a license)."

"2. An Act to amend the Act to incorporate the Manufacturers' Accident Insurance Company and to change its name to the Manufacturers' Guarantee and Accident Insurance Company. This Act authorizes the company upon compliance with its provisions to carry on the business of guarantee insurance in addition to its accident business. A license to carry on the guarantee business has not yet been applied for."

"3. An Act respecting the Canada Life Assurance Company."

"This Act enlarges the company's power as to investments and holding real estate."

"4. An Act to revive and amend the Act to incorporate the Equity Insurance Company and to change the name of the company to the St. Lawrence Insurance Company. The Act revived by this Act was passed in 1887, with power to carry on the business of fire and inland marine insurance. No license has been yet applied for by the revived company."

"5. An Act to incorporate the Canadian Order of Woodmen of the World. The order has been registered as an assessment life insurance company."

"6. An Act to incorporate the Ocean Guarantee Company."

"No license has yet been applied for."

"7. An Act to incorporate the Ocean Accident Company."

"No license has yet been applied for."

"8. An Act respecting the British America Assurance Company."

"The Act changes the names of the principal officers from Governor and Deputy-Governor to President and Vice President and contains other provisions not necessary to refer to."

"9. An Act to incorporate the Grand Council of the Catholic Mutual Benefit Association."

"The Act constitutes the Association an Assessment Life Insurance Company."

"A certificate of registration under the Insurance Act has not yet been applied for."

"10. An Act to incorporate the Canadian Live Stock Insurance Association."

"No license has yet been applied for."

#### LOSSES OUTSTANDING.

"Under this heading it seems desirable to make a few observations for the information of those officers of licensed companies whose duty it is to prepare the annual statements for this department. Observation has proved that the requirements of the Insurance Act are not fully understood, or if understood, are disregarded, and as a consequence, the statutory returns are frequently found to be inaccurate, and perhaps in no particular are there greater inaccuracies than are to be found regarding the losses outstanding at the close of the companies' year. The inaccuracies are principally of two kinds, firstly, claims for losses which have occurred before the close of the year, and which should have been reported, are frequently omitted from the statement altogether, and such reasons as the following are assigned for such omissions, viz., that such losses were not reported the company until after the close of the year, or that although they were reported and claims made therefor, such claims were not looked upon as valid claims, were not recognized or admitted as liabilities, and were therefore disregarded in the companies' statement. Such reasons are wholly insufficient. The mere fact that a loss had not been reported, or was not known to a company at the close of the year, but which loss at the time the statement was prepared and sent to the department was known to have existed at such close, affords but a poor excuse for asserting that it did not exist. Again, it is not permissible for a company to disregard a claim for a loss, upon the ground that the company looked upon the claim as invalid. The statute in schedule A defines the liabilities of a life company, which are to be reported, and amongst them are included "Claims for death losses and matured endowments and annuity claims due and unpaid or in process of adjustment, or adjusted but not due, or resisted." In like manner schedule B, includes among the liabilities of a fire company which are to be reported, "Amount of claims for losses resisted by the company, distinguishing those in suit," the plain meaning of which is, that every claim for a loss should be reported, even though the company may have a good legal defence to an action therefor. To adopt any other course would in effect constitute the officers of the companies judges and enable them by denying liability for all existing claims, to present a report showing no outstanding losses, and that at a time when every claim might prove valid, notwithstanding the companies denial of such validity."

"Secondly, claims for losses which should be reported as resisted, in suit, or resisted, not in suit, are not infrequently reported as unadjusted but not resisted. A plausible explanation of such an inaccuracy is rarely found, but one sometimes offered is, that at the close of the year the company had not decided to resist the claim. Such an excuse is wholly inadequate. The statute allows two months within which to obtain full and accurate information regarding all such matters, and the Superintendent trusts that in the future there will be found fewer inaccuracies of the kind mentioned than there have been in the past. It may be added that every such inaccuracy, if discovered, is corrected in the full report."



Thus we have made free use of the Superintendent's excellent report, and with the foregoing and the tables published in THE BUDGET of May last, our readers who may not have the Superintendent's report, will have a pretty full knowledge of the business of insurance in all its branches, transacted during the year 1892, besides synopsis of periods prior to and inclusive of that year.

IS IT CONSISTENT?

People used to be lectured and hectored on the subject of the large reserves and surplus funds held by the old line life insurance companies. Also on the extravagance, the waste and uselessness, nay, even the wickedness of accumulating such funds. Why, it was urged, not do as the assessment concerns did, leave the money in the pockets of the insured where it naturally belonged? But the assessment people, some of them, long ago learned, and quite a number of them are now learning the lesson that reserve, surplus, or by whatever name they may be known, funds are useful and indeed necessary to life insurance. And assessors themselves are now piling up such things as emergency funds to be called upon in the day of need. And such a day is sure to visit them, a day when the assessments will be insufficient to meet the claims of increasing mortality. Thus have the assessment folk learned to respect and set much store by the idea hitherto scouted by them, of creating reserve funds for the protection of the insured.

A strong objection to such funds being held by insurance companies, was that the officials, the select few, had control of the strong box and its contents, and could help themselves out of it, or take box and all, just as their need or greed might dictate or require. Wonder! was it this idea of possible possession that impressed the magnates of assessment societies and converted them to the faith of emergency funds, and the like! There are officials in assessment institutions who completely "hold the fort" through their control of proxies, and possibly an emergency may arise that would give cause to some of these magnates to remove the funds by—proxy—and thus they would only be putting in practice the harrying act which they fearfully suggested other chief men like themselves, might possibly be guilty of. There may be something in this to account for the change above referred to.

Another lesson the assessment people are learning and are putting into practice, with variations to improve on the lesson and excel their teachers, it is that of having office buildings of their own. They used to rail at the old liners for having brass door plates, large extravagantly furnished offices, and extensive palatial buildings of their own; and it was contended that the cost of all these gay things came out of the pockets of the insured in unnecessary premiums extorted from the insured that should never have been charged. But now the assessment bodies themselves are doing all these exceedingly naughty things.

As being in the lead or, so to speak, at the top of the tree of assessmentism, the Mutual Reserve is busy putting up a building of its own, or is it the president's property? in Broadway, the principal thoroughfare of New York, and on one of the most conspicuous corners of that far-famed roadway,—just like the president, it is to be seen, gazed at, and admired. It is to be a remarkable structure every way; for its size, quality of materials, and style of architecture and finish, as the following extracts, descriptive of the building, show. The extracts are

from the *Economist*, the organ of the Mutual Reserve, and by the organ are credited to the *New York World*, the champion puffer of the American press. All know how and whence these paid-for puffs originate. Here are a few of them:—

"The most striking building on Broadway and at the same time the most attractive is the magnificent structure now in process of erection at the corner of Duane Street. Nobody can look at it without being impressed with its rare architectural beauty, its enormous height and its massive proportions. It is a remarkable union of symmetry and strength."

"Strangers in the city stop opposite it to gaze with admiration at its colossal proportions, and residents who pass it day after day on their way to business have watched its growth skyward with unceasing interest. All New York knows that when completed it is to be the permanent home of the Mutual Reserve Fund Life Association, the greatest institution of its kind in the world, whose wonderful increase in business has rendered this palatial building a matter of absolute necessity. Towering above its neighbors, it is easily the loftiest as well as the handsomest structure on Broadway. And when it is realized that it is erected for an association only twelve years old the fact is amazing."

\* \* \* \* \*  
 "In the construction of this great edifice foreign climes have been ransacked for material. Africa and Italy have supplied its marble, England its enamelled bricks and skilled carvers. All artists of renown have been employed with mallet and chisel, hewing out of the solid Indiana limestone figures and patterns of elegant design."

\* \* \* \* \*  
 "The building, which will be about 200 feet high when completed, has an exterior of surpassing beauty. The outside portico is richly carved, and the two main entrances, both on Broadway, as will be seen by a glance at the illustration, are models of the stone-carver's art. A series of circular windows, surmounted by a stone balustrade complete the top story, on which will be erected a flagstaff 60 ft. high."

"The building has fourteen stories above the sidewalk. It has a frontage of 75 feet on Broadway and 122 feet on Duane Street."

\* \* \* \* \*  
 "The second and third stories will be occupied in their magnificent entirety by the Mutual Reserve Fund Life Association. The second floor is 113 feet deep and 70 feet wide. It will have four public elevators, running to the top of the building, and one private elevator running from the cellar to the fourth story floor, for the exclusive use of the Mutual Reserve Fund Life Association. On this floor there will be steel safes built into the wall, toilet rooms, lavatories, lockers, and, in fact, all the conveniences and comforts appertaining to a first-class modern business building."

Now where does all this money come from. The enormous sums needed to erect the "Palatial building"? If the old-liners have to rob people by extortionate premiums to put up fine buildings and all their extravagant belongings, where, we would like to know, does the Mutual Reserve get or find its enormous funds, to put up such a "Palatial" edifice and its lavishly extravagant belongings? a building which is to over-top and out-do all the other "Palatial buildings" of New York City.

According to the doctrine of the Mutual Reserve itself, and that of its fellow assessment concerns, the members get their insurance at cost; there should therefore, be no spare funds to

waste on fine buildings, or other "frills" for the officials to enjoy. Whence then, come the funds to do these extraordinarily extravagant things mentioned in the extracts we have quoted from the "puff"? If the funds come from the pockets of the members, do they then not pay more than cost price for the temporary—we had almost written trumpery—it is only a sixty day insurance they get at best. And is this not a species of robbing of the living on the assessment plan; or is the same thing which is a demerit when done, as alleged it is done, on the level premium plan, to be approved of as meritorious when done as we see it is, on the assessment plan? So it would seem to be. But to return to the "palatial building," we can even now see with the mind's eye, the exceeding grand and imposing ceremonies that are in store for us all in the near future, to partake in, or admire in the "puffs" describing the gay, dazzling scenes, the magnificent spread, the eloquent speeches and other delightful things to be seen and heard on that festive occasion. Also the flourishing statements, financial and other, that will be forthcoming respecting the unheard of bigness and phenomenal success of the Mutual Reserve, at home and abroad. And of course the "observed of all observers" will be President Harper who will find it a fitting occasion to spread himself to his own gratification and the admiration of his guests, all, it may be, ready to worship President Harper and the image the "palatial building" he hath set up in Gotham. What a time it will be to be sure for glorification.

#### REBATING OFFICIALLY DENOUNCED.

The question of rebating is occupying the serious attention of companies and of men prominent in the profession of life insurance. Several of the companies may now be considered as pledged to oppose the practice of rebating. The Northwestern Life, the Connecticut Mutual Life, and the New York Life, have each declared against the obnoxious practice; one of the latest so to declare itself is the New York Life. At a gathering of the agents on a festive occasion, by invitation of the company at Chicago, on July 13th last, in honor of the prize winners in certain contests for new business, rebating came up. It was warmly discussed and a committee was appointed to draw up resolutions on the subject. The committee reported as follows:—

Your committee, to whom was referred the question of "Rebate," under discussion yesterday, begs to report as follows:

We have considered the matter long and carefully, and found, as a result of such deliberation, that in essentials we were in substantial accord and in non-essentials not seriously at variance.

All of us agreed that "rebate" is an evil without mitigation, likely soon to lead to a situation when remedies will be applied by others, and our wishes and interests only incidentally considered.

It therefore seemed wise to take the position that we can set our own house in order better than it can be done by strangers, and, therefore, we have expressed as strongly as we could in the following resolutions our condemnation of the system, and have asked the president to take such steps as will exterminate it. How this can be done, and when, we feel can be safely left in the hands of the men who have already done so much for the practical betterment of the field-workers of the company. We believe that the action of President McCall in this, as in all things, will be temperate, wise, and effective. We therefore respectfully submit the following:

*Whereas*, The practice of what is known as "rebating" now generally prevails amongst the agents of all life insurance companies, and

*Whereas*, This practice is attended with serious evils, which may be partially enumerated as follows: It demoralizes the agent both financially and morally; it degrades our business in the eyes of thinking men; it introduces large amounts of unprofitable and undesirable insurance; it increases expenses to the detriment of policyholders without any corresponding

advantage to the company or agent; it violates the equities of the doctrine of mutuality, which doctrine underlies all good life insurance; it puts a premium on rascality and gives the irresponsible lightning solicitor an advantage over the responsible, steady producer; it encourages "twisting," which is "piracy" in our business as between companies, and as between ourselves is self-abuse; and

*Whereas*, All previous attempts to correct these evils have been successful only locally, and legislation which has aimed in several states to exterminate it has been largely ineffective, and

*Whereas*, We believe that the New York Life Insurance Company is so happily situated that it can enter on a crusade against this practice, based both on principle and policy—that is to say, while it may be true that we as life insurance men have permitted this practice to spring up without proper appreciation of the evils that would attend it, and in so far as are equally deserving of criticism with the agents of all other companies, yet it is true that we have never been blind to the inherent evils of the system, and we know that an expression against it as a matter of principle is in harmony with the ideas which direct the administration of the New York Life; we also know, as a practical question, that we are peculiarly equipped. The company has the confidence of the world because it is the only company that the world knows all about; it can secure a sufficient volume of business under any conditions, because it offers the public at a standard price the best goods in the market; in addition, having already reformed the policy contract, the form of annual statement, and the relations which a company should sustain to its field representatives, it appears that the New York Life is now morally bound to institute and carry out another and still greater reform.

*Now, therefore*, Be it resolved that the president of the New York Life Insurance Company, John A. McCall, be and hereby is, requested to exercise every power at his command as the chief executive officer of this company, to the end that the practice of rebating may be both completely and speedily exterminated from the ranks of our agency force, and

*Resolved*, That this convention hereby pledge itself, individually and collectively, to give to the president such cordial support as will most effectively aid him in the consummation of this great work.

D. P. KINGSLEY,	DANIEL BOONE,
A. G. HAWES,	J. G. MORGAN,
LIVINGSTONE MIMS,	R. E. WHITNEY,
G. A. SMITH,	Committee.

This report was unanimously adopted, and in an address to the agents President McCall indorsed their action and promised to carry out the suggestions embodied in the resolution.

In response to the resolution, President McCall issued the following letter to the agents of the company:

PRESIDENT'S OFFICE, July 29.

MY DEAR SIR: You have been advised through these columns of the resolutions unanimously adopted at Chicago on the 13th inst., under which our agents have referred to me the question of "Rebate," and have asked me to take any necessary steps to eliminate this practice from our ranks. I do not need to recite to you the evils which result from it. The resolutions already referred to do this sufficiently. And, as I have yet to meet the first man who does not agree that the results of rebating are altogether to be deplored, I take it that such is your opinion. If you happen to live in a state where legislation has been had on this subject, I am sure you have been observing the law, and in so far, this letter does not apply to you. But, be that as it may, I want to say to you, together with all New York Life field men, that henceforth rebate in any form must cease.

If anything can be added to the language of the resolutions referred to it would be this:

Rebate is a manifest inequity to some one, since agents representing the same company offer the same policy at different prices. This touches (1) the policyholder and the principles of mutuality upon which our company is built, and (2) it interests you in that you are forced, either directly or indirectly, into a conflict within your own household.

Rebate defeats its own purpose, since it does not bring you in the end the thing you seek, even though you may be indifferent to the question of equity.

Therefore rebating is: First, inequitable; second, unnecessary.

On the first point, I do not need to dwell. On the second, I can only say that you have certain advantages which more than offset any conditions you may meet.

You have (1) a company which the world knows all about ; which has been tried and not found wanting ; which has been indorsed as none of its competitors have been. You have (2) a policy which has more benefits and fewer conditions, at the same price, than the policies offered against it.

To the objection that these advantages (which no insurance man denies) will not always bring you the business against the methods which may be employed by competitors, I can only say (conceding the truth of this, because, unfortunately, it is true), you must let some business go. It will take considerable moral courage to lose a risk, or a number of risks, but if you do it once, standing squarely on the doctrine that your goods are not offered at what you can get, but at what they are worth, you will probably never have to do it a second time, and you may never lose a single risk.

There is something in courage which appeals even to the man who is looking only for a discount, and with the average citizen a frank, direct business statement will always prevail. By adhering to this you will be constantly moving into a better stratum of society, securing a more intelligent and desirable class of applicants, and thereby not only putting money into your pocket, but materially advancing the general interests of the company itself.

I am not writing this letter to tell you at this time of any particular penalty to be enforced if you should give a rebate. I am sure I shall never need to write any of our representatives in that way. I believe in the loyalty of our men and their willingness to carry out, without flinching, the company's wishes in this behalf ; but for the benefit of any who may be weak, or who do not respond to these sentiments, I will say I trust you just as our forefathers trusted in God at Bunker Hill—they did not at the same time neglect to keep their powder dry.

While this is a general letter, it is also directly personal, and I therefore ask every field man to address me at once, acknowledging its receipt and expressing frankly his position. These letters in reply will be filed as a part of the company's records on this subject.

With renewed assurances of my interest in each man personally ; with earnest thanks for the cordial support you have hitherto extended in the reforms undertaken by the New York Life, and the firm belief that you will join in eradicated this great evil, I remain, yours truly,

JOHN A. McCALL, President.

That official document would seem to commit and does commit, the New York Life, its president, officials and agents unconditionally, to discountenance and oppose the practice of rebating, in any of its phases, whatsoever. And it is to be hoped that other companies and officials who do not approve or who profess to disapprove of rebating, will hoist the anti-rebate standard and fight to the bitter end this evil that has caused so much demoralization in the business, and loss to the companies, to say nothing of the injustice it has done and is doing to the early policy holders.

Rebating in this country is not *known*, though some of the companies and their agents aver that the *other* companies and their agents are given to rebating and other naughty tricks and unprofessional practices. Those "other fellows," are a disreputable "hard lot." They cause heaps of trouble through the bad examples they set their scrupulous competitors for business. O dear!

### THOSE THREE ACTS.

Three Acts not long since passed by the Congress of the United States, are attracting much grave attention and causing no small stir and trouble through their wide-spread application in the domestic and international affairs of the country.

The Geary Act was intended to effect the deportation of the Chinese back to their own country and it is now estimated that the enforcement of the Act will cost the United States \$6,000,000 or thereabouts ; besides which it is likely to cause the Chinese government to retaliate by making things lively and warm for Americans in China.

The Sherman Act, now, figuratively speaking having its head on the executioner's block in Congress for decapitation, has been a principal means of disturbing the monetary and commercial affairs of the nation. Fire insurance interests have felt it very keenly as will be seen from the following action taken at a called meeting of the New York Board of Fire Underwriters held for the repeal of the Act.

*Whereas*, This country is now suffering from the effect of the clause in the Sherman Act of 1890 requiring the monthly purchases of silver, thereby creating distrust of the stability of our currency and the ability of the government to maintain the parity of gold and silver, and impairing public confidence and credit to such an extent as to cripple business and almost create a commercial panic ; and

*Whereas*, The prosperity of the country at large seriously effects the interests of the fire insurance companies ; be it

*Resolved* by the New York Board of Fire Underwriters, that the repeal of the silver purchasing clause of the Sherman Act is essential as the first step towards the restoration of national prosperity, and that this board urges its immediate and unconditional repeal.

*Resolved*, That a copy of these resolutions be sent to every member of congress, and that the officers of the board be requested to co-operate with other associations in all legitimate means to secure the prompt repeal of so much of the Sherman Act as provides for the purchases of silver and the issue of notes based thereon.

Though the repeal may be delayed for a time it must eventually be conceded by congress in compliance with the wish of the people as recently expressed in the House of Representatives.

And last of the three comes the McKinley Act, intended to hurt Canada, but which it hasn't done, but instead, it turns out to be a big boomerang rebounding to injure its user. American insurance companies are now being discriminated against in European countries where the ultra protectionism of the McKinley Act has aroused feelings adverse to American life insurance interests, as the following from the *Montreal Star*, from which we quote, shows :—

NEW YORK, September 16.—The American life insurance companies are just beginning to find out that they, and consequently their policy holders are likely to be among the worst sufferers from McKinley "protection." The recent action of the Mutual Life Insurance Company in withdrawing from Spain has drawn attention to this fact, and enquiries among the officers of the companies reveal a unanimity—that only suffering causes—in ascribing to the obnoxious high tariff law the menace of a serious loss of business. It is ascertained that Spain, Russia and Germany have adopted radical measures to drive out the American companies, and the local officers agree that the governments of these countries have been inspired to this course by the McKinley law. In some cases the action has been a plain part of a scheme of retaliation against American enterprises ; in others the jealousy of native corporations has made the tariff law an effective excuse to oust their American rivals.

The importance of the news may be estimated when it is known that according to the reports made on December 31 last, there were 167,512 American policies in force in Europe, covering an insurance amounting to \$567,756,019, and that the premiums collected in Europe for the year ending on that date amounted to \$22,863,246. The officers of the three large companies here assert that they do more business abroad than all the resident companies put together. This is attributed to the tontine and mutual principles introduced by the American companies by which they gained great favor in Europe.

Should the effect of the foreign action against the American companies prove as serious as their officers predict, it is probable that the McKinley tax burdens will in no other way be more heavily felt, as such a curtailment of profit would inevitably be quickly seen in the division of profits which is an important item in all modern policies.

A few statements from leading life insurance company officers will suffice to explain the situation.

John A. McCall, president of the New York Life Insurance Company, said : "In England we are unrestricted. The same is true of France, but during the last year there has been much agitation there in favor of



compelling American companies to make French investments, etc. In Germany a new law was adopted a year ago directed against our companies, and although we have complied with it we find the department strongly against us in its enforcement. Italy and Russia have acted in the same way, and Austria is beginning to discuss laws against us that would be very onerous. Mexico has just passed a law that drove us all out, except one company. The only reason urged for these measures is the effect abroad of the McKinley law, and I have no doubt we shall soon be driven out of most foreign countries. The business abroad is profitable, and we find foreigners more persistent insurers than Americans are. We have notified our manager in Spain that we will withdraw from that country if the new laws are not changed. James W. Alexander, Vice-President of the Equitable Life Assurance Society, said: "We, too, have the question of leaving Spain under advisement, and in Germany we have been put to great annoyance. The Russian Government has also shown a willingness to limit the scope of our affairs in a remarkable way, but we hope to effect a favorable settlement there. While not exclusively the cause of our troubles, the McKinley law undoubtedly has been very potent as an influence against us. Our advocates are constantly met with this argument on the part of foreign governments: 'You have legislated for your own selfish interests, regardless of ours. We now propose to do the same.'"

E. B. Harper, President of the Mutual Reserve Fund Association said: "The laws which have been enacted and are proposed in several foreign countries adverse to American life insurance companies, are in my opinion attributable to the McKinley law. They have been adopted as retaliation measures."

Richard A. McCurdy, of the Mutual Life Insurance Company, was disposed to believe that unjustly restrictive laws would be removed, but admitted that his company was driven out of Spain, where it had but recently begun, by new onerous laws.

One cannot have his cake and eat it. No more can the United States or any nation be exclusively protectionist and not expect other nations to follow the example of exclusiveness in turn. The three acts herein referred to are built on the extreme protection plan, and each seems to be a blunder in its own specialty. It is matter for regret, that, owing to the operations of a narrow law of one idea, the life insurance companies should find it necessary in their own protection, to leave the countries named, in which they have been doing much to benefit themselves and the people as well.

Law makers should seek clearer light and take more extended views than they have done in these instances.

#### COMPENSATION OF FIRE INSURANCE AGENTS.

We are glad to state that President Moore of the Continental Insurance Company substantially advocates the doctrine of THE BUDGET on the compensation of fire insurance agents,—the profit-sharing plan. Here is what Mr. Moore, in a letter to the *Spectator*, has said:—

"I have read with interest your able article on the subject of compensation of agents, and suggest the following propositions on the various methods of compensating fire insurance agents:—

"The business of fire insurance is transacted by agents in the various cities and towns of the country, remote from the principal, and depends for its profit on careful inspection, supervision and good judgment. It goes without argument that those on whose inspection, supervision and judgment the profit depends should be paid, in part at least, according to quality as shown by results, and not according to quantity. The agent is human, and therefore governed by self-interest. What the principal or company seeks is both quantity and quality. If it does not pay for both it will not get both."

"Salary.—If it pays a salary which amounts to more than an agent would make on commission, it will pay more than it can

afford. If the salary amounts to less than the agent would make on commission, he will be discontented with the salary, and the company will have to raise it. Therefore, nothing will be gained in expense by salary payment. Unless all companies represented by the agent pay salary, those who pay commission will get the larger part of the business. A certain income will make him indifferent as to the quantity and results, and, working out of sight, the tendency with agents who are not conscientious (and there would be a certain number in every hundred), would be to pocket the salary without making an effort."

"Flat Commission.—If the company pays a straight or flat commission on quantity, it will get quantity without quality."

"Graded Commission.—A 'graded' commission of different percentages for different classes of risks is not correct, because profit does not lie in classes, but in good individual risks at adequate rates. If a bad dwelling is as unprofitable as a bad planing mill, and if a good planing mill, at a proper rate and line for its class, is as profitable as a good dwelling, then a graded commission which pays for classes will not secure profit and is a fallacy."

"Profit Sharing Commission.—These propositions demonstrate the importance of a mixed flat and profit-sharing commission: part of it based upon the quantity, so that the agent's income will go up or down according as he works; part of it on quality, so that the agent's income will go up or down according as he works intelligently and carefully. I will not make any attempt to support these propositions by elaborate argument, for they seem to me axiomatic and so able to stand alone."

President Moore is a practical fire underwriter of long standing, of very great experience, and acknowledged ability. It therefore goes without saying that we are glad to have him on our side in this matter of compensation of the agents. The doctrine is entirely sound or President Moore would not be its advocate and defender.

#### ADEQUATE RATES WOULD DO IT.

The accounts of the fire business of the year 1892 in Germany present very unfavorable results as far as heard from. The balance sheets of nearly all of the companies showing heavily upon the debit side. So also with the Hungarian Lloyd; it shows a debit balance of 250,000 florins; its shares of 100,000 florins are now quoted at 35 per cent. only.—*The Insurance Age*.

We note a heavy falling off in the quotations of the French fire insurance companies' stocks, in consequence of reduced dividends attending the business of 1892. The *Generale*, fire, the 1,000 franc shares of which have heretofore sold at 34,000 francs each, and seldom to be had at that figure, at last quotation, were difficult of sale at 32,000. The company was compelled to use 200,000 francs of its reserves to maintain its dividend at 1,300 francs. Nearly all of the French offices present about the same results. *La Generale*, life, 1,000 franc shares, are quoted at 73,000 francs, and firm at that.—*The Insurance Age*.

With such results as the above extracts disclose, what becomes of the arguments in favor of the slow-burning, fire preventing construction of buildings such as the European, especially the French, buildings are said to be, with their stone stair-cases, stone, brick, or concrete floors, solid walls, solid brick partitions, slate, tile, or metal roofs, to favor insurance. And then those French laws too, which saddle the occupants with the losses to the relief of the insurance companies interested. The sighing and crying, "Oh, if we had such fire-preventing, insurance-favoring structures and laws in North America, the wholesale destruction of property by fire would

be prevented and insurance would be benefitted thereby." Nonsense! The above clippings show that with all those supposed advantages, the slow-burning, semi-fire proof buildings, French laws and all, spoken of so wistfully by fire underwriters and writers on fire insurance on this side the Atlantic; fire insurance in France and Germany is suffering from the same trouble that bothers fire underwriters in this wooden country—namely, the shortness— inadequacy—of the premiums they are insufficient to cover the fire loss and the expenses, and leave anything like a show of profit to the shareholders.

What is needed in France, in Germany, and here, there, and everywhere in fire insurance, is a knowledge of the business on the part of the underwriter, with sufficient backbone, moral courage, to put his knowledge into his practice, and rate risks as he finds them, wherever, and under whatever circumstances they may be. Insurance every where calls for adequate rates and suitable contracts, without which it cannot succeed—pay. But given these it is sure to succeed; and to administer them properly, the well-informed, competent underwriter, is indispensable. Commission, and the commission man should be shown to a back, a far back seat, and made to stay there.

#### THE LIFE INSURANCE AGENT'S WORK AND HIS REMUNERATION.

In Part II of the Massachusetts' Insurance Report 1893, the commissioner, Hon. Geo. S. Merrill, has the following to say of the life insurance agents' work and remuneration:—

The work of the agent is important and essential, and, if successful, is often arduous and performed under discouraging and disagreeable circumstances. Without his efforts in bringing together and keeping up the membership the company would be impossible. His services are therefore indispensable, and should be adequately remunerated. Whatever is a reasonable compensation for his service he should justly have,

But there are two or three considerations that make it quite improper that such large flat brokerage should be paid in a lump sum. First, the whole of the premium is not intended to pay expenses with; an average of at least two-thirds of it is expressly calculated to pay cost of insurance and provide for the reserve. If, then, he receives from the first premium an amount greater than the loading, obviously some one else must be made to meet these other charges, and the amount is unjustly taken from the dividends of the old members. Next, this business is only valuable to the company if it stays on the books and pays premiums enough to make up for its cost to get and the other charges due from it. The only part of the premium that can be righteously used for expenses in any one year is the loading. If, then, the agent receives the entire first premium for his commission, and the policy lapses after only one payment is made, the transaction is not only useless to the company, but is a positive loss and injustice to the old members. Under such flat brokerage system, moreover, the interest of the agent in the transaction ends with its payment, and he can look on with complacency afterwards while a rival agent twists the policy into another company; while, if he were to receive his compensation in equal amount, but only in instalments from the renewal premiums as paid, each not greater than the loading, which is all the company has the right to pay in any year, not only would the company be spared any loss on the policy in case of lapse, but the agent would have a strong interest in encouraging the persistence of the membership, and would not be apt to regard the operations of the aforesaid twister with composure.

Nearly every agent would undoubtedly prefer this method of compensation, as the company could safely make it more liberal than a flat brokerage, and he would be providing himself an income for future years. The company would also have a powerful factor in securing persistency of membership.

Every good reason would seem to urge such method of compensating and encouraging the agents, promoting *esprit de corps*, loyalty and zeal, and at the same time removing a practice certainly unjust and wasteful in its effects, if not wholly illegal.

Messieurs Managers, the ready remedy for this inexcusable waste is in your hands.

#### EXIT THE ENDOWMENTS.

With the passage of the act to wind up the affairs of the eight remaining Massachusetts endowment orders, the last official chapter in this extraordinary craze will be written, and it only remains for the receivers to be selected and for these officers, with those previously appointed by decree of the courts, to close up the accounts and distribute the remaining assets. The compilations of their condition disappear from the insurance report, and their returns no longer disfigure the records of the department. During their brief existence the fifty-six Massachusetts corporations of this class gathered a membership of 364,000, and collected from the certificate holders over \$12,500,000. From this sum less than nine per cent. of the membership received in payment of the earlier matured certificates over \$3,000,000, while above \$2,000,000 was paid in claims for sickness, a large proportion of this to certificate holders in excess of their contributions, and with the natural result of the immediate disappearance of these enriched members from the rolls, at the cost of those remaining. Nearly \$4,000,000—one-half undeniably if not undisguisedly a steal—went into the pockets of the promoters and officers as "expenses," leaving at the end only about \$3,500,000 for distribution to the remnant of 330,000 members, only a trifle more than was gobbled by the 30,000 who got in "on the ground floor," which list, of course, included all of the "supremes," their "sisters, cousins and aunts." The total amount of the obligations upon the certificates issued by these corporations in exemplifying their wonderful "new system of finance" for the benefit of the poor people, and towards meeting which a paltry \$8,800,000 was altogether collected, was nearly \$120,000,000. It is doubtful if the world's history, whether in the South Sea bubble, the Dutch tulip mania, or the Mississippi scheme, presents a parallel to the ghost dance in which the people were led by this wild and foundationless gambling infatuation.

Without one line of restrictive legislation, fostered and encouraged by the now admittedly unfortunate statute which gave them birth, all but eight of the fifty-six Massachusetts corporations fell to pieces by the inherent weakness of the scheme, leaving only that small remnant—two of these in the hands of the court and at least four others too weak to make the effort necessary to dying—to be closed up under the provisions of the law under consideration. The Iron Hall, father of the whole pernicious brood, collapsed nearly a year ago, blistered with fraud, deceit, and incompetency, and its apostle Somerby is a fugitive from justice, being under criminal indictment by the courts of Indiana. As the Insurance Commissioner had predicted, when the first of these concerns fell the rest toppled like a row of bricks.—*Commissioner Merrill's Report, Part II., 1893.*

#### THE METROPOLITAN LIFE INSURANCE CO.

The Metropolitan Life Insurance Company of New York is a wealthy institution. It is well-established in this country, and is regularly licensed to do all branches of life insurance in every part of the Dominion. A leading "line" with the company is its industrial business, which is very extensive and is rapidly increasing. The Metropolitan is, in fact, the leading industrial company of this continent, and is the second largest industrial life insurance company of the world, with the prospect of being at no very distant time the largest. Its progress is phenomenal, as will be seen from the following comparison between the progress made by the Metropolitan and that of the old Prudential of England, the parent of industrial insurance, we quote:

The London Prudential gained last year 199,900 policies—the Metropolitan, 433,289.

The Prudential's increase in "debit" was, apparently, about \$15,000 (a trifle less)—the Metropolitan's was \$43,680.

The Prudential added to its agency force 620—the Metropolitan, 1,244.

The Prudential's increase in collections for the year was \$804,000—the Metropolitan's, \$1,878,376.

The average yearly increase of the Prudential from the beginning has averaged \$8,863—the Industrial increase of the Metropolitan has averaged \$20,487.

At the rate of increase shown by both companies for 1892, the respective debits—say at the end of June, 1897—will be: Metropolitan, \$462,892—Prudential, \$457,437.

Besides the industrial, the Metropolitan issues a variety of policies, from the ordinary life on through to endowment, such as may be required. Here is what the company says of its policies:

“The various forms of policies now issued by the Metropolitan are adapted to all stations of life and every requirement of a man's financial condition.” And,

“What the Metropolitan aims to do is to furnish policies which tell their whole story upon their face; which leave nothing to the imagination; borrow nothing from hope; require definite conditions and make definite promises in dollars and cents.”

Last year, 1892, the Metropolitan issued policies aggregating an insurance of \$129,000,000, and paid \$5,000,000 to its policy holders for losses and matured endowments. It has paid upwards of \$32,000,000 since it started business. We cheerfully recommend the Metropolitan Life to the patronage of the people of Canada, as a company in every respect worthy of their confidence. The chief office for the Dominion is here, in Toronto, Albert Goldthorpe, Chief Agent.

Since writing the foregoing, we have been favored with a copy of President Hegeman's “Salutation” to the superintendents, assistant-superintendents and agents of the company, on his return from Europe, complimenting them on the immense *new* business done in the week commencing September 18th, 1893, which was to be a surprise and a substantial welcome home to him. In the president's absence, Vice-president Fiske and Secretary Gaston, asked the field force to pile up “such a week's business as has never been known in the history of industrial insurance” and now here is what President Hegeman in his salutation has to say of the effort:

“And what was the result? Did it succeed? Well, there are just 58,390 reasons as to why we answer those questions with an able-bodied “Yes.” These numerals express the actual number of applications for insurance received by this Company, as the result of last week's work. In respect of new business written, it is not only the most wonderful in the career of this wonderful Company, but it is the most remarkable in the annals of Industrial Insurance from its birth up, including all countries and all companies. And to the pluck and grit, and tireless energy, and dogged determination of the gentlemen to whom these words are addressed is this magnificent achievement due. The directors and officers of the Company are proud of the men who have wrought this work, and they renew their thanks to each one, from the youngest or hardest-struggling Agent to the oldest and most prosperous Superintendent—to every man, in brief, in whatever station, who has conscientiously contributed his best service to this grand result. And the undersigned regards the occasion of it as the very highest compliment *ever paid to him during his business career.*”

The list of superintendents, and their districts, shows that there are 140 districts and we note with no little satisfaction that Toronto stands number 47 on the list—not far from the top, and is quite a distance from the bottom. This result is to the credit of Superintendent Goldthorpe and his excellent staff.

## Editor's File.

The quarterly meeting of the New York State Association of Local Board of Underwriters, was held at Saratoga on 20th Sept. inst. Action was taken regarding rates on farm property. A recommendation to advance the rates to 1 and 1½ per cent. for three years was adopted. What about this class—the “non-hazardous” class in Canada?

\* \* \*

A Chicago despatch of Sept. 19th says: “Without any warning whatever, policies aggregating hundreds of thousands of dollars on foreign exhibits at the Fair have been cancelled by Chicago insurance agents. The first intimation that the foreigners had that the risks were not satisfactory, was when they got notices that the policies had been cancelled. With these notices came checks representing the sums that had been paid for the unexpired period.” That was rather summary practice on the unsuspecting “foreigners.”

\* \* \*

Speaking of the “tight money state of things, and the great depression of business prevalent in the United States, Banks closing, Wheat selling at a price that does not pay for the raising, and securities of all kinds at rock bottom, the *Investigator* thinks that, while it is desirable that Congress should fix, or repeal, the Sherman Act, or at least the silver purchase section, “it will not cure present troubles.” And continuing, our contemporary says: “They,” the troubles, “are the natural result of cheap credit, which leads people to over-reach themselves. Among the chief sufferers by this condition of affairs are the fire insurance companies, which have in no wise profited by the abnormal operations which have brought about the stringency, and yet, which see their assets dwindling as a result of depreciation of securities, and their losses piling up higher than ever, because of the increased moral hazard. The outcome of the situation is one of exceeding interest to these guardians of society. Unless there is a marked appreciation in the value of securities before the first of January, there will be numerous impairments of capital, and some companies will very likely retire from business.” It is to be hoped that the anticipated results will not be realised.

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A principal cause of the troubles of fire insurance is the great number of agents employed, which, it need not be said, is the direct outcome of the commission system of compensating the agents. Here is the state of affairs, in this respect, at Cleveland, Ohio:

A Synopsis of the Fire Insurance Agency “System” in Cleveland, Ohio, as taken from the Directory published by the Cleveland Board of Fire Underwriters, under date of May 23, 1893, and a list of all companies interested:

No. of companies represented, 114; No. of Recording Agencies (not including those “in Process”) 82; No. of persons authorized as agents, 149; total multiplied agency representation of all companies, 358; average No. of agencies for each company, over 3; largest No. for an Ohio company, 13; largest No. for an American (non-Ohio) company, 11; largest No. of agencies for a foreign company, 9; No. of solicitors licensed by the Board, 76; No. of agencies having three solicitors (the limit), 14; No. of agencies having two solicitors, 9; No. of agencies



having one solicitor, 16; No. of agencies having no solicitors, 43;\* total Cleveland premiums for 1892, \$1,187,792.†

It is matter for regret that the state of things here set forth is so general. Even here in this city of Toronto, and it is the same in other cities and towns of this country, insurance companies are rivaling one another in the number of agents employed, to say nothing of the swarms of brokers and other business-getters from whom the companies eagerly accept business,—thereby intensifying the competition and demoralizing the business. It is in fact suicidal to the companies themselves, and is, of course, the product of the commission system.

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“Armed with a certificate of filing articles of association from the Secretary of State, these societies are enabled to *deceive the people*.”—*Views*.

This fairly illustrates the use our friendly societies, etc., make of their registration with our insurance departments. Government supervision is not all it was expected or intended to be.

\* \* \*

*The Mutual Underwriter* says: “The Massachusetts Benefit Life Association has inaugurated the plan of paying the insured one-half of the face of the policy in case of permanent total disablement.”

\* \* \*

We are pleased to learn that the “irregularity” charged against Mr. Sydney Flynn, accountant of the Agricultural, for Canada, was the being over lenient with the agents in regard to their monthly returns,—he accepted notes instead of exacting the cash for their balances. This is bad enough, so far as it goes, but the amount thus allowed to accumulate in agents' hands, has been greatly over-stated. It has been reduced to less than \$5,000, and the company stands to lose not that, or any amount. Mr. Flynn, senior, chief agent of the company, was the first to discover the irregularity, and at once called the president's attention to it. The accountant's resignation has been accepted.

\* \* \*

Mr. P. B. Armstrong, as formerly announced in these columns, is himself again, with another big insurance venture. This time it is in the life insurance field,—the American Union Life Insurance Company of New York, capital \$500,000 cash, and a long list of what the Union is going to do, and what it won't do. No doubt it will “go,” and if it don't, P. B. is not the man to hang on to it, but will sell it or give it away for a substantial consideration. We shall have more to say about the American Union Life Insurance Company of New York when it is fairly afloat, meantime we wish it ample success.

\* \* \*

Toronto was to be immortalised by insuring itself against loss by fire after this fashion:

“Let the city undertake the fire insurance of all city property, churches, etc., for ten years, charging present premium rates; in that time it will have accumulated in profits, at the lowest calculation, \$5,000,000. Then let it insure without charge, (having then this fund to fall back upon in case of very heavy losses,) and do away with the cost of the insurance machinery altogether. The citizens would then be relieved of the burden of insurance premiums altogether, (a matter of perhaps a millions dollars a year or more,) and all losses would be shouldered by the community. We tax ourselves heavily to

\*Many of whom do not care to conduct an Agents' Training School for the companies. †Wanted—A few more men as Agents to join in the scramble for the commissions. Apply to the companies, their managers and special agents.

secure an adequate water pressure, and to equip an efficient fire department, and why should we not reap the benefit, instead of letting a score of insurance companies fatten themselves out of us to the tune of at least \$500,000 annually? What greater inducements to manufacturers to establish themselves in our midst than freedom from taxation and fire insurance.”—*Empire*.

Upon which an insurance contemporary *The Adjuster* remarks:—“The genius whose brain-power is equal to evolving anything so Utopean as it is, should chase his shadow on level ground, catch it, and wring its neck.”

\* \* \*

The gray matter of the editor of the *Pittsburg Daily Dispatch* has been troubled recently about insurance matters, and he has found a cure for the ills that afflict the business. Here it is: “Reduce these commissions, gentlemen, do away with the broker or intermediary, who is only an expense without being an advantage, and the problem is solved.”—*The Investigator*.

The “gray matter” of the editor of the *Dispatch*, is not so far “off” as that of the *Investigator* would appear to be. Commission and the broker are the barnacles of insurance and if they could only be scraped off, the good ship Insurance would be greatly relieved and benefitted by the operation. Here is a case which shows that commission is not necessary to insurance and can be dispensed with to the company's advantage, we quote from the *New York Insurance Journal*:

“The agents of the United States Life are now remunerated at fixed salaries instead of commissions, and yet its business of the past month exceeded that of May, 1892, by \$300,000, showing that superior energy is not a feature of commissions where rebate is disallowed.”

\* \* \*

Nor to be beat in the race for getting up Lloyds institutions, Buffalo, Syracuse, and several other cities, are spoken of as being in the throes of getting up, each of them, a Lloyds fire insurance association, or whatever it may be called. We strongly incline to the opinion that the very unsettled state of financial affairs in the United States will throw cold water on many of these and other projected speculations, and that members of such concerns will probably find need for their spare funds that will cause them to withdraw from the doubtful ventures.

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THE Great Northern insurance company of Winnipeg, Man., has been organized. It is to be managed by L. L. Smith, a former Ohio Underwriter, so says the *Insurance World*, Pittsburg. Among the notices we have seen of this company are the following. *Views* says: “The Citizens Insurance Company, formerly of Cincinnati, will be resurrected at Chicago, to be run in connection with the Great Northern of Winnipeg.” *The Daily States*, New Orleans, has it this way. “The N. F. I. Co. has changed its birth place to Manitoba;” and the *Commercial Bulletin*: “The Toledo, O., underground operators have finally succeeded in organizing their new concern at Winnipeg, Manitoba. It is called the Great Northern Fire, and L. L. Smith, late of the Toledo firm, has been elected its manager.” This may be all right, but it looks rather mixed like.

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“The Sun Life Assurance of Canada, about which so many rumours have lately been current, have taken an office at 42, Poultry, and are managed there by a Mr. R. Judkin-

We know nothing of this gentleman's antecedents up to the moment of going to press."—*Insurance Journal*, London.

R. Judkin has a first-class reputation in Canada both as a good citizen and a capital business man. The fact that he is the accredited representative, in Britain, of the Sun Life of Canada should be accepted as ample credentials of Mr. Judkin's standing. We heartily commend Mr. Judkin to the better acquaintance of our esteemed contemporary and the business men of London as well.

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"The Pacific Insurance Union has passed a resolution that in consequence of the valued policy law in Oregon, all risks on buildings in that state, after the 1st of July current, will be charged an additional premium rate of ten per cent. to meet the increased hazard."

Now that is sensible,—treat all hazards, whether valued policy laws, wooden candlesticks, or saw-dust spittoons, same way; rate them and you are done with them till next time. Then try again and keep on trying till you fix them, one and all, with adequate rates and suitable contracts. That's your business as underwriters, not as hitherto, trying to run them in, or run them out; run 'em up is the word.

\* \*

The last legislature of Michigan, says the *State Republican* of August 3rd last, passed a bill "making it unlawful for foreign insurance companies, legally admitted to do business in the state of Michigan, to place, or cause to be placed, except through a duly licensed agent, in the state, insurance on property in the state of Michigan in offices outside of the state of Michigan." The Attorney General says: "The object of the act, as expressed in its title, is clearly to require the agents of foreign companies which have been legally admitted to do business in this state, to transact the business through duly licensed agents residing in the state of Michigan."

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Our American exchanges are giving much attention to the doings of the National Life Underwriters' Association, at the gathering of that body in Cleveland, O., on September 8th inst. It appears to have been a grand social affair at which there were lots of good cheer, good speaking and jolly good fellowship generally.

\* \*

On 12th September, instant, at Chicago, was held the twenty-fourth annual convention of Insurance Commissioners. Considerable attention was given to blanks, (forms) and other matters of interest to these state officials, which the insurance companies have to bear and pay for.

\* \*

The receiver of the Iron Hall has "received," been awarded \$10,000 salary by the court for his services during a less time than a year. Lucky receiver! Few people would object to receiving a wind-fall like that. But what about the unfortunates, the victims out of whose hard earnings, in many cases, came the ten thousand dollars to the over-paid court favorite. The Iron Hall was a cruel hall to many an innocent person, as it was a big haul to many of the heartless schemers that worked the oracle entirely to their own personal advantage.

\* \*

"The Victoria B. C. City Council taxes insurance companies \$300 a year for the privilege of indemnifying the citizens for loss by fire. The companies should deal with this and all such imposts by a substantial increase of insurance rates. This is

the only plan by which the companies can meet such extortions, and besides, it is the only means by which to open the eyes of the people to the fact that they pay all taxes and charges placed on insurance.

\* \*

The case of Dr. Henry C. Meyer, with numerous aliases is the subject of much comment by the insurance press. Meyers was arrested in Detroit, July 12th, last, and sent to New York to answer to an indictment of murder for poisoning Ludwig Brandt, alias G. M. J. Baum. He pleaded not guilty. The case is The Mutual Life Insurance Company, of New York vs. Meyer. The prosecution will endeavour to prove that Brandt, or Baum, died from antimony poisoning administered by the doctor aided by his wife. The wife will be tried after the doctor's case has been decided.

\* \*

Of the numerous questions asked concerning the I. O. F. is this one "Is the I. O. F. founded on the assessment system"? to which we reply certainly it is. The Charter of the I. O. F. shows the fact, and besides, the constitutions and laws of the Order are full of provisions and regulations built on the assessment plan. This is not said in disparagement of the I. O. F. nor of the assessment plan, but only to answer the question above stated. By the way, we note that some of the daily papers are directing attention to the I. O. F. particularly to the lavish rate of expenses, and the fact that satisfactory statements to account for these things, have not, as yet, been published by the Supremes. But the members seem to have no voice in these matters, and take whatever they get, by way of statements from the Supremes, who as a body, be it remembered, are not subject to government inspection and are therefore free to do pretty much as they please and it would seem that they are doing things that way.

\* \*

We learn from the *Chicago Herald* that: "Insurance companies have instructed their agents at Lancaster, Ky., to discontinue writing and to cancel all policies August 1 unless the fire protecting facilities of the town are placed in good condition. Lancaster has been supposed to have one engine." In the same paper we see this: "Owing to the poor fire department of Ashland, Wis., the inspector has been ordered to advance rates 30 per cent." Here are two cases from the same disease, the lack of fire protection facilities. In one case the companies stop "writing," in the other the rates are advanced to meet the hazard, which, then, is the insurance plan of dealing with an increased hazard? Rate for it to be sure.

\* \*

A new fire insurance company is about to be started in Montreal by the Retail Merchants' Society. So says the *Shareholder*. The Merchants had better stick to their own business which, it is only reasonable to suppose they understand. They will find fire insurance one of the mysteries, and will in due time wish they hadn't.

\* \*

Speaking of the Provincial Provident Insurance of St. Thomas, Ont., the *Insurance and Commercial Magazine* of July says: "Any one desiring employment as a Life Insurance Agent, should bear in mind that this Association is at least one of, if not the most popular Company in the Dominion, and therefore the best to engage with." Our good Brother Livingston has allowed his well-known feelings toward the "pay-as-you-go" system to carry him rather far this time. The P. P. I. as it likes to style itself may be every way respectable, more especially

so by comparison with its own class; but that it is what our good brother claims for it, as an insurance company is stretching the fact and is a left-hand compliment to the life insurance companies which, Brother Livingston would not for a moment be a party to if he knew it.

\*\*\*

Authors, prominent ones even, are not provident,—making hay while the sun shines, or laying by against a rainy day. On the contrary they are, as a rule, an unprovident happy-go-lucky race, as their biographies show. Still there are illustrious exceptions. Southey carried £4,000 life insurance; Samuel Taylor Coleridge had £2,660; Sir Walter Scott was a director of the Edinburgh Life, and held a policy for £2,000 in that company, besides which he effected £18,000 for the benefit of his creditors, making a total of £20,000 (£100,000) on his life. Contrary to the opinion long held, that Charles Dickens had no insurance on his life, the fact is he had £5,500 (\$27,500) life insurance which was paid to his beneficiaries. These are examples of forethought and thrift that should be followed by literary men. Life insurance is the readiest and most certain means for them to make provision for the future in favor of their families or other dependents. To each it may be said, "Go and do thou likewise."

\*\*\*

"It is strange how regularly the States with the worst insurance record are found to be the most unreasonable and exacting towards insurance companies. Take Tennessee, the most recent one to legislate oppressively against insurance companies—her ratio of fire losses paid to premiums received was 73.03 in 1891, and 98.7 in 1892. However, it is claimed that the objectionable law is not as dangerous as it was thought to be, and that most of the companies that pulled out of Tennessee will go back again. One would think that the loss ratios above quoted would act as a deterrent, even if the law had never been enacted.—Views.

Yes, but what in such case would the commission man do? Loss ratios are nothing to him. They don't affect his income in the least. He profits by business that may result in serious loss to the company he has undertaken to represent! That is insurance conducted on the straight commission plan.

\*\*\*

The Insurance *Herald*, Louisville, Ky., is authority for the statement that the *Insurance Radiator*, New Orleans, has been purchased by Mr. W. E. Underwood, late of the *Vindicator*, and that Mr. Underwood's intention is to remove the plant and office of publication to Dallas, Texas.

\*\*\*

It would seem that there is but little if any use trying to enforce the law, whether Dominion or Provincial, against assessment insurance concerns which do not, as required by the insurance acts, use the words "assessment system," in their advertisements, etc., or against insurance agents who transact insurance without being licensed. In such cases the law is a "dead letter." A post card of date September 27th, informs us that "the insurance appeal case" (Allen of the Sexennial League) for "offering to undertake contracts"—the Insurance Corporations Act, 1892—"conviction was quashed by Judge Macdougall contrary to all expectations." The "glorious uncertainty of the law" could hardly be better illustrated. Of course the accused will now only laugh at their accusers, hold the law in contempt and go on in their evil courses. What is the use then of laws which are exceedingly difficult or impossible of enforcement?

At the meeting of the Western Union of Fire Underwriters, held at Niagara Falls, 19, 20, 21 Sept., inst., many old difficult questions affecting the existence of the "Union" were disposed of advantageously. The transactions have been kept pretty "close." Officers elected for the ensuing year are: President, Thos. S. Chard; Vice-President, Daniel C. Osmun; Secretary, C. S. Whittemore. Next meeting will be at Niagara Falls in March, 1894.

\*\*\*

We hardly know what to say or think of what would seem to be a sort of hide-and-seek doings of the Gresham Life Office, which has been announced as soon to open up a branch in this country. We have seen that announcement, in a New York Journal. We have seen it contradicted, and yet again we have seen an advertisement in a Canadian contemporary that looked very much as if the Gresham had already arranged to honor Canada with its presence. But all may end as did the coming of the English and Scottish Law Life, a few years ago, when all the arrangements for the entry of that company were completed (!) by the same gentleman who is now the secretary of the Gresham. We should not be at all surprised at whatever may happen in the present case after what happened in that.

#### INSURANCE ADVERTISING.

A few weeks ago we met an old friend, a manager of a fire insurance company, and listened to his talk on many themes. On insurance advertising his views were somewhat peculiar. His words we do not remember, but this was the substance of what he said:—

"You know I am a pupil of J. B. Bennett, and you know that he was a great advertiser. I have followed his example. My advertising has all been in insurance Journals. Every trade and profession now has its own papers, its own literature—law, medicine, theology, railroads, agriculture, publishers, paper-makers. The list is endless. We have our papers, and they rank well with the rest.

"Well, it would not help my company for me to advertise in the *Church Union*, the *Law Journal*, or the *Agriculturist*. I want my company to be known by insurance men; I want them to be proud of it, as I am.

"I suppose there are at least 300,000 people in the United States who are interested in insurance. Those are the men I want to reach. They can be reached only through the insurance press. So I patronize insurance papers in every part of the country. My bills are not high. Some companies pay more for calenders, blotters and dodgers, than I do for press advertising.

"The editors become my friends, though personally unknown to me. They know that my company is a sound one. They are human; they cannot help having a friendly feeling for the manager that sends them drafts every six months.

"I am an insurance man, nothing else, and that is enough. My dealings are with my own fraternity. If I have any opinions to advance I send them to an insurance paper, as I have done to you, and not to the *Railroad Gazette* or the *New York Herald*. I have had more than thirty years experience; I take all the good insurance papers and advertise in them. My net surplus is all right, and I shall stick to my profession as long as I live."—*Insurance Magazine*.

#### SEMI-ANNUAL FIGURES OF FIRE INSURANCE COMPANIES.

The following is from a table published in *The Investigator* of 10th August, inst., shewing the assets, reinsurance reserve and net surplus on June 30th, compared with January 1st, last, of the fire insurance companies named, as reported to the Indiana department. We omit the companies not licensed to do business in this country—Canada.

COMPANIES.		ASSETS.	RESERVE.	NET SURPLUS.
Agricultural,	Jan. 1....	2,389,629	1,416,425	636,579
Watertown, N. Y.	June 30...	2,296,972	1,432,011	259,783

COMPANIES.	ASSETS.	RESERVE.	NET SURPLUS.
British America,	Jan. 1.... 819,092	398,041	324,358
Toronto, Can.	June 30... 945,043	454,894	399,797
Caledonian,	Jan. 1.... 1,974,246	1,214,978	457,397
Scotland.	June 30... 1,754,228	1,184,667	349,588
Commer'l Union,	Jan. 1.... 3,590,990	2,240,606	887,755
England.	June 30... 3,382,276	2,138,432	846,827
Guardian,	Jan. 1.... 1,671,938	951,868	534,989
England.	June 30... 1,515,715	962,803	396,366
Imperial,	Jan. 1.... 1,854,882	964,666	720,424
England.	June 30... 1,837,748	913,209	759,561
Lancashire,	Jan. 1.... 2,894,752	1,644,275	812,044
England.	June 30... 2,582,136	1,534,633	617,616
London Assur.,	Jan. 1.... 2,202,793	902,523	642,565
England.	June 30... 2,134,985	908,695	.....
Northern,	Jan. 1.... 1,653,233	954,864	497,915
England.	June 30... 1,590,419	962,522	443,457
N. Brit. & Merc.,	Jan. 1.... 3,453,004	1,929,077	1,095,324
England.	June 30... 3,205,361	1,887,207	949,044
Norwich Union,	Jan. 1.... 1,857,877	1,115,762	559,663
England.	June 30... 1,758,341	1,158,405	398,195
Phoenix,	Jan. 1.... 5,794,596	3,710,914	543,744
New York.	June 30... 5,534,873	3,793,797	411,814
Phoenix,	Jan. 1.... 2,492,333	1,531,423	624,279
England.	June 30... 2,292,201	1,600,186	347,709
Queen,	Jan. 1.... 3,538,915	1,647,943	1,021,632
New York.	June 30... 3,482,714	1,688,698	1,879,330
Royal,	Jan. 1.... 7,180,858	3,892,896	2,085,353
England.	June 30... 6,915,362	3,979,051	1,941,007
Sun,	Jan. 1.... 2,671,249	1,633,619	667,920
England.	June 30... 2,542,724	1,568,200	595,170
Union,	Jan. 1.... 667,979	173,707	453,067
England.	June 30... 719,299	200,000	462,157
Western,	Jan. 1.... 1,617,195	831,066	558,865
Toronto, Can.	June 30... 1,574,769	846,679	481,325

The following companies have filed their January 1 statement, indicating that no material change has occurred in their figures: Etna, Hartford; Atlas, England; Connecticut Fire, Hartford; Hartford Fire, Conn.; Ins. Co. of North America, Phila.; Lion Fire, England; Manchester Fire, England; Phoenix, Hartford; Phoenix, London; Scottish Union and National.

## Obituary.

In the death of Sir Alexander Tulloch Galt, G.C.M.G., LL.D., Canada has lost an old time-tried public servant and honored citizen. He was born in London, England, and died at his residence in Montreal last month, aged seventy-six years. Mr. Galt entered Parliament in 1849. Those were troublous times over the Rebellion Losses affair, and after the burning of the Parliament building by the mob on the site of the present St. Ann's Market, Montreal, Mr. Galt became a partner in the syndicate which built the Grand Trunk Railway from Toronto to Sarnia, Ont. In 1853 he was again elected to Parliament and became Finance Minister in the Macdonald government. In 1869 Sir Alexander was knighted for his services as a father of Confederation. In 1880 he was appointed High Commissioner for Canada at London, which he resigned in 1883.

At the time of his death Sir Alexander was president of the Guarantee Company of North America, a Canadian institution which does an extensive fidelity business in Canada and the United States.

The late John E. De Witt, besides being president of the Union Mutual Life Insurance Company, of Portland, Maine, was a prominent member of a number of other financial and social institutions, and president of several of them. His death which occurred on August 31st last, was caused by a railway accident on the Boston and Albany Railroad.

In early life Mr. De Witt was an agent at New York, for the Phoenix Mutual Life Insurance Company of Hartford, Conn., and was a marked success in that capacity, as he has been in every capacity. In 1876 he was elected a director and president of the United States Life Insurance Company. And over seventeen years ago he was elected president of the Union Mutual Life. The company was then in a struggling condition, but under the able guidance of President De Witt the company got into good condition, and is now a successful institution doing an extensive prosperous business.

The directors have caused an elaborate "Minute," recording the leading features of Mr. De Witt's life and character to be "spread upon the records." The "Minute" closes with the following eulogy to the memory of their long time associate and beloved president:

"In his death the nation has lost a patriotic son; our State a good citizen; the business world, one of its ablest members; life insurance, one of its strongest pillars of support; this community, a neighbor honored and beloved; and this Company, the active brain and ready hand which for seventeen years have carried it continually higher and higher in its career of prosperity.

But when all is said, and the loss to this Company by his death is

fully appreciated, the greatest monument to his ability, capacity, skill and fidelity in the management of its affairs, is the fact that he laid the foundations so securely and builded so well, that his associates can take up his work and continue it, without a break, upon the lines which he has drawn."

Hon. Josiah, H. Drummond, Vice-president and counsel of the company, pending the election of a president, will perform the duties of that office.

It is pleasing to note that President De Witt, is uniformly spoken of in terms of the highest praise as "a man and a brother," by the press generally, and also by the officers of insurance companies, as a highly respected member of the life insurance profession, whose death is deeply regretted.

Mr. De Witt, appears to have captivated all whom he came in contact, and made a loving friend of each one.

The family have our sympathy in their great affliction.

## Personal.

Mr. John McClay, editor of the *Insurance Economist*, has returned to his sanctum in New York, after a short, but we hope, a pleasant trip to his native hills and glens in the "land of the mountain and the flood."

Mr. George Thorne, of Montreal, has been appointed agency director of the New York Life for Southern Ohio, succeeding E. E. White.—*The Argus*.

The presence in Britain of Mr. John R. Hegemen, president of the Metropolitan Life Insurance company, was made the subject of complimentary notices on the President and his company by British Insurance Journals.

Mr. Israel C. Pierson, Secretary of the Actuarial Society, of America, with a party of friends, went on a fishing tour, somewhere in the neighborhood of Waterloo, Ont., last month, August, and had a good time. Mr. Pierson guest of Messrs Henry and Wagenast of the Ontario Life, at a social dinner. It is to be hoped that Mr. Pierson and friends had lots of fish on their strings and a long string of fresh-fish stories as well.

Mr. Robertson Macaulay, President of the Sun Life Assurance Company of Canada, has returned home from Britain and been appointed a justice of the peace.

Mr. Gerald E. Hart General Manager of the Phoenix Insurance Company of Hartford, has returned to Montreal after an absence of some months upon the Pacific Coast.

It is with sincere regret that we learn of the illness of Mr. Joseph Flynn, Chief Agent for Canada, of the Agricultural of Watertown, N.Y., Mr. Flynn, has been, for many years, active and energetic in the service of the company. Mr. George Mauser, from the head office is here in charge and will so continue during Mr. Flynn's illness. Since writing the above we learn with pleasure that Mr. Flynn, has been "retired" on a comfortable annual income, by the company.

It is rumored that Mr. Jeffrey Bevan, United States Manager of the London and Lancashire Fire Insurance Company, is on a visit to Britain, to resign his connection with that company and engage in an agency and brokerage business in London.



Established  
1852

## THE LANCASHIRE

INSURANCE CO'Y OF ENGLAND.

CAPITAL AND ASSETS \$20,000,000.

CANADA FIRE BRANCH:

HEAD OFFICE—

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J. G. THOMPSON, Manager.



Fire Only.  
INSURE WITH THE

# Phoenix Insurance Co'y.

HARTFORD, CONN.

CASH CAPITAL - - - \$2,000,000.00

Over \$200,000 on deposit with the Dominion Government  
for special security of Canadian Policy-holders.

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... THE ...  
**Great-West Life Assurance Co.**  
HEAD OFFICE, WINNIPEG.

It has been demonstrated by the experience of the Loan Companies and other large investors of capital, that the West furnishes the best field for investors.  
An opportunity is now, for the first time, afforded of investing life assurance premiums in the West, and thus taking advantage of the improved rate of interest to increase the results or reduce the cost of life insurance.

The GREAT-WEST is the only Canadian company giving its policy-holders the security of a four per cent. reserve: all others, WITHOUT EXCEPTION, reserving on a lower standard.

Before insuring insist on seeing the following plans of THE GREAT-WEST LIFE: Savings Bank, and Collateral Security Policies, and Great-West Annuity Bond.

AGENTS WANTED IN UNREPRESENTED DISTRICTS.

—APPLY TO—

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INTO WHICH IS MERGED

The Mutual Accident Association of Manchester, England

The Citizens' Insurance Co. of Canada (Accident Branch)

The Sun Life Assurance Co. of Canada (Accident Branch)

LYNN T. LEET, W. H. HOLLAND,  
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The two most popular plans of LIFE INSURANCE are the CONTINUABLE TERM POLICY which gives to the insured the greatest possible amount of indemnity in the event of death at the lowest possible present cash outlay; and the GUARANTEED INCOME POLICY which embraces every valuable feature of investment insurance, and which in the event of adversity overtaking the insured may be used as COLLATERAL SECURITY FOR A LOAN, to the extent of the full legal reserve value thereof, in accordance with the terms and conditions of these policies.

Good Agents, desiring to represent the Company, are invited to address  
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2 TORONTO STREET. - - - - - TORONTO

**Agricultural Ins. Co'y**

OF WATERTOWN, N.Y.

Capital	- - - - -	\$500,000.00
Assets	- - - - -	\$2,163,218.12
Government Deposit	- - - - -	\$140,000.00
Losses Paid	- - - - -	\$7,277,291.89

Non-hazardous Property only insured.

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97 James St. N., Hamilton, Freehold Loan Building  
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Agents wanted in all unrepresented localities. Apply to

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# Metropolitan Life Insurance Comp'y

FOR ITS PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between the ages of one and seventy. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of Policy-holders. Benefits range from fifteen dollars to one thousand dollars and upwards.

All needed explanations will be furnished upon application to the Company's Superintendent, or to the home office in New York. Any insurance undertaken or offered to be undertaken, in the Province of Ontario, in respect of the lives of children under 10 years of age, is subject to the restrictions enacted by sub-sections 1 to 5 (inclusive), of Section 35, of the Insurance Corporations Act, 1892.

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GEORGE H. GASTON, 2nd Vice-President and Secretary.

ALBERT GOLDTHORPE, Supt., Room 30, York Chambers, Toronto St., Toronto, Can.

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Payment, and Endowment Investment Plans of  
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South, Hamilton.

**W. F. FINDLAY, Public Ac-**  
countant, Adjuster and General Insurance  
Agent. Attention given to the  
investigation and adjustment of Fire Losses. 25  
James Street South, Hamilton.

**M. A. PENNINGTON, General**  
Insurance Agent, representing Anti-  
cultural Fire Insurance Co., of Water-  
town, N. Y., and Quebec Fire Insurance Co.  
Office, 51 James Street North, Hamilton, Ont.

**GEO. McKEAND, Agent,**  
Hartford Fire Insurance Co., Inman and  
Anchor Lines of Ocean Steamships. 37  
James St. North, Hamilton.

**WEST INDIES.**

**JAMES SKEOCH, Dry Goods**  
and Commission Merchant. General Agent  
for The Sun Life Assurance Co'y of Can-  
ada, Western Fire Assurance Co'y of Toronto,  
Port of Spain, Trinidad, W. I.

**THE ONTARIO MUTUAL LIFE**

**A PROSPEROUS HOME COMPANY**

Assurance in force, Jan. 1, 1893, - - -	\$16,122,195
New Assurances taken in 1892, - - -	2,676,250
Cash Income for 1892, - - -	615,956
Cash Paid to Policy-Holders in 1892 - - -	214,320
Assets, December 31, 1892, over - - -	2,000,000

The 20-Year SURVIVORSHIP DISTRIBUTION POLICY  
now offered embraces all the newest features and is the best  
form of PROTECTION and INVESTMENT money can buy.  
It has no rival. Guaranteed values, attractive options, and  
liberal conditions.



COMPANY'S BUILDING, MONTREAL.

# SUN

NTS'

- Life Assurance Company of Canada. -

HEAD OFFICE, - - - MONTREAL

The year 1892 has been the most successful in the experience of this Company. A handsome gain was made in the Insurance in force, New Business, Income and Assets.

Assets, \$3,403,700.88. Life Assurance in Force, \$23,901,046.64.  
 New Business, 1892, \$7,991,196.54. Income for 1892, \$1,134,867.61.

T. B. MACAULAY, SECRETARY. IRA B. THAYER, SUPT. OF AGENCIES. ROBERTSON MACAULAY, PRESIDENT.

## The Double Maturity Policy

OF THE

MANUFACTURERS LIFE INSURANCE COMPANY.



The Double Maturity Policy of this Company embraces some of the most desirable features in Life Insurance; maturing, as it does, in full at death, or age 65; or at period when reserve and surplus combined, shall amount to the sum insured. It is without restriction as regards residence, travel, or occupation; is **INDISPUTABLE AFTER THE FIRST YEAR**, and is the most convenient form of accumulation for old age ever devised.

HEAD OFFICE, TORONTO.

GEO. GOODERHAM, PRESIDENT. JOHN F. ELLIS, MANAGING-DIRECTOR.

SALIENT FEATURES OF THE NEW

## Unconditional - Accumulative - Policy

ISSUED BY THE

## Confederation Life Association.

**It is a simple promise to pay** the sum insured in the event of death.

**It is absolutely free from all restrictions** as to residence, travel and occupation.

**It is entirely void of all conditions** save the payment of the premium.

**It provides for the payment of the claim immediately** upon proof of death.

**It offers six modes of settlement** at the end of the Dividend Period.

**It is absolutely and automatically non-forfeitable** after two years. The insured being entitled to:

(a) **Extended Insurance** without application, for the full amount of the policy, for the further period of time, definitely set forth in the policy, or on surrender to a

(b) **Paid up Policy**, the amount of which is written in the policy, or after five years, to a

(c) **Cash Value**, as guaranteed in the policy.

Full information furnished upon application to the Head Office, or to any of the Company's Agents.

W. C. MACDONALD, Actuary.

J. K. MACDONALD, Managing-Director.