

## A CHAT ABOUT INSURANCES.



THE most persuasive tongue that I ever heard at work belonged to an agent of an insurance company. He received a commission on all the business brought by him to the office, and made a handsome income out of it; and a man who lives, and lives well, by persuading people to spend money for the prospective benefit of others, even

if they are near and dear to them, and not of themselves, is something like an orator.

As a joke rather than as a test, I sent him to Jack Prendergast, who is as reckless as an honest man well can be, and would no more buy coals in summer than he would lay in a stock of cheap mosquito curtains because he might possibly want to go to India some day. Jack loves his wife, and so he ought, for she is as good as gold; and he delights in his two little children. But he is also fond of racing, billiards, pigeon-shooting, and conviviality; and though his income is a fair one, and he does not much exceed it, the greater part ceases when he dies, and he spends more on himself than a family man should do. In short, I thought that he was the very last man to do so prudent a thing as insure his life, and yet this agent succeeded in persuading him to it, thus: he found out his man's foible, and represented the transaction to him in the light of a bet. The company he acted for would, he said, lay Jack £1,000 to £40 that he lived a year; and as the odds seemed good, and he prided himself on never refusing an advantageous wager, Jack cried "Done" at once, passed his medical examination, and paid his premium. Was there ever a more curious instance of human perversity?

Ever since men traded, and accumulated wealth, and trusted their precious merchandise to the tender mercies of the capricious sea, they must have felt anxious when rumours of wars ran through the marketplace or the forum, or when roaring winds rocked them of nights in their beds. The gambling spirit may be strong in a young man who has little to lose, causing him to feel a pleasure in the excitement of standing to gain all or lose all; but to part with the slowly-gathered possessions of years in a day—to see the work of a life-time destroyed at a blow—to exchange within a few hours affluence for beggary, importance for insignificance, is the severest trial that poor humanity can have to bear. And if you call this sentiment cynical, considering that the loss of friends is harder than the loss of fortune, I refer you to the annals of suicide, and ask which of the two calamities has scored the greater number of victims? There must always have been a readiness, then, amongst the more prosperous merchants to part with a certain portion of their profits for the sake of securing themselves against possible losses, and some

sort of insurance has probably been practised among all mercantile communities. But when we possess written accounts of the laws and customs of the ancient communities, and find no details of such an important branch of business, it is probable that these prudential transactions were matters of private arrangement amongst merchants who had confidence in one another, and were not submitted to public restrictions and regulations. We know, however, that the Anglo-Saxons were formed into guilds, the members of which contributed to a common stock, that was provided as a guarantee against the loss which any individual might sustain from "fire, water, robbery, or other calamity."

In 1523 a committee of five was appointed by authority, at Florence, to draw up a code of regulations and a prescribed form of policies. In 1556 Philip II. of Spain issued certain regulations for insurance, which were binding on the Spanish merchants; and Magens, in his treatise on the subject, published at Hamburg in 1753, gives some forms of policies on ships going to the Indies.

A Chamber of Insurance was established at Amsterdam in 1598; and in 1601 the first authorised regulations respecting insurances were framed in England, though before that time English insurers were famous for the punctuality with which they met their engagements, and a disputed policy was of very rare occurrence. Ninety-five years after this date the first insurance company was established in this country, and it still flourishes, though it has changed its name from the "Amicable" to the "Hand-in-Hand." The representation of a friendly grasp taking place between a pair of isolated fists, as if two table-rapping spirits (whose sole corporeal remains appear to be their hands) had just been summoned by a medium, and were greeting one another, which must be familiar to the reader, is the device of this original institution.

The extent to which the principle of insurance has developed in less than a couple of hundred years is very remarkable, and the present age is certainly the most comfortable one that an extremely cautious man could possibly be born in. He can insure his ships, or the goods carried in them; he can protect himself, so far as pecuniary loss goes, against fire. If he ever travels by railway, or hunts, or crosses glaciers, or indulges in similar dangerous enterprises, the payment of a very few shillings will secure him a consolatory salve of golden ointment in case his bones should be broken. If a farmer, he can defy the hail and the foot-and-mouth disease; if a shopkeeper, he can hold his plate-glass windows shivered by the mischievous catapult with some approach to equanimity. Or if it is necessary for him to trust a clerk with large sums of money, he can insure that fellow-creature's honesty. It is true that within a very few years Government did all it could to discourage prudence by laying a tax of

he intimates his intention at the office beforehand, and pays the extra risk. Some assurance companies have advertised that they make no extra charge to volunteers, which is not intended as a slur upon the force, but as an expression of confidence in the immunity of England from invasion. But if we ever did have a Battle of Dorking, it is to be feared some of the offices would find great difficulty in meeting their liabilities.

There are varieties of life assurance. A man may make provision for his own old age as well as for his widow, if he fears destitution when his working powers fail him. Let me quote from a prospectus :—

*“Example.*—A person aged thirty can assure his life for £100 at the annual premium of £2 11s. 11d., and the amount would be payable to him on attaining the age of seventy-five, or to his representatives in the event of his death. At the first division of profits in which the policy shared, an earlier age would be fixed—say seventy-two—and the operation being repeated, he would receive his policy-money comparatively early in life, and be released from the payment of all premiums in respect of it.”

Prudent babies, again, can insure at a very low rate, the policy not being payable indeed unless they attain the age of twenty-one, but all premiums being returned if they die before that period. Thus, if you are *one* next birthday, you can provide comfortably for your probably unborn widow by an annual payment of 17s. 6d. for every £100 she will receive, if you can manage to raise 17s. 6d. at so early a time of life. And if you unfortunately fail to attain your majority, the money will not have been wasted, for your disconsolate parents can get the premium back again. A precocious rising generation should mark this!

Two people can insure their joint lives for the benefit of the survivor; a person who only wishes to insure his life for a short period of from one to ten years, can do so at a reduced rate. And there are other specialities to meet the wishes of people exceptionally situated, which are not of very general interest.

If the ladies who are so indignant at the dependent condition of their sex, ever succeed in making it equally self-supporting with the other sex, one great incentive to life assurance will cease; but at present there seems to be no chance of that.

A young man whose income is entirely derived from his business, salary, or profession, meets an angel, who is weak enough to take his admiration for a proof of every virtue and talent. He therefore seeks an interview with the angel's father, who, knowing her to be an eating, drinking, and particularly a dressing angel, inquires what the young man's means of keeping a wife are. The answer may be satisfactory so far as it goes: a sufficiency for the present, a prospect of increase. But then the prudent parent inquires what would his daughter have supposing she were suddenly and speedily left a widow, and if met by the prompt reply that she would get a couple of thousand pounds from an insurance office, he is likely to look upon the match in a very different light than if there were no such resource to fall back upon. And afterwards, if a man is fond of his wife and children—

which is really very commonly the case, let cynics say what they please—it is a comfort to him whenever he has a headache, to think that if he succumbs to it the rest of the family need not apply to the parish for relief, at any rate.

Of course it is a hard matter, and requiring considerable resolution, for a young man whose income is already a great many sizes too small for him, to put by a sensible part of it for an advantage which cannot be realised till after his death. But the first step is the most painful; he will soon come not to include the premium in the estimate of his income, and so will not miss it. And if the propriety of making some provision for the future be granted, life insurance is a far easier method of doing so than saving. For the latter plan necessitates a man living on about half his income and investing the other moiety, instead of only mulcting it in a small percentage.

The security afforded by old-established offices is so very good that they may be implicitly relied on. And even young and struggling companies, when they find they cannot do business enough to pay their way, can amalgamate with others, and so secure the interests of their policy-holders, though the shareholders go to the wall. For the law looks very sharply after this description of business, and if you insure your life and do not vitiate the policy by your own act, it is as certain that somebody will get the money as that you yourself will not.

And the insurance of lives is the safest possible business, provided there is plenty of it and the most ordinary precautions are taken. Mathematics never deceive, and well-calculated averages vary very little. It may seem, indeed, that an office might incur undue risk by granting a policy to some exceptionally large amount, and being called upon to pay it after the receipt of one premium. But in these cases the lives are re-insured with other companies, who take note of the transaction and reciprocate; and thus the risk is shared, no premium lost, and too many eggs are not carried in one basket. Then the capital in hand can very advantageously be employed in loans, at a short date and at a low rate of interest, on good security. And as the borrower has to insure his life with the company lending him the money, fresh grist is thus brought to the mill. Many of these insurances are allowed to lapse, when the money is refunded, and then the premiums paid in the interim are all clear profit.

The agent who persuaded Jack Prendergast that his insurance was a bet, and that in a manner which I own it is beyond me to contravert, showed the greater ingenuity because the principal evil of gambling consists in the fact that it is impossible to win except by some one else losing; whereas in a life assurance everybody is benefited all round. Whatever some of them may profess to the contrary, all men wish to live long, and those who are granted this desire are the people who pay for those who die early, and who would be glad enough, if they had the choice, to reverse the matter. The winner—he who pays a few premiums and gains a large sum—would sooner lose—*i.e.*, go on living; and the loser—he who keeps up

his policy for so long that he would have done better to save the money—does not want to win.

It is not necessary to dwell longer upon the advantages of life assurance, for they seem to be pretty generally known. The sum for which all the offices in Great Britain are liable is about two hundred millions, representing premiums to the amount of

something like six millions. Or perhaps, as the above calculation was made some years ago, the figures ought to be higher. But I confess that when I get to millions I am as much lost as those savages who reckon by their fingers and toes are when they have counted up to twenty. It is like contemplating space.

LEWIS HOUGH.



## WILL'S WIDOW.

IT'S hard enough for folks to work  
For such a little pay;  
To me it does not matter much,  
Now Will is gone away.  
The bird whose mate is flown afar  
Cares little for her nest:  
For glimpse of distant paradise  
The barest bough serves best.

A cup of tea and crust of bread  
Are quite enough for me:  
To give me dainties would be waste  
As Will's not here to see;  
Or leastways, if he can look down  
He knows too much to care,  
Knows that it does not signify  
What people eat or wear.

If I was living in the place  
Where once I lived with Will,  
All going on the same old way,  
But just the house grown still,  
I'm sure Will would seem further off,  
So slowly time would go:  
One needn't sit to watch for death,  
That's sure to come, we know.

But now I seldom make a moan  
About the sadder part;  
I think the moving of the hands  
Is wholesome for the heart;  
For as I stitch, I recollect  
The happy times we had,  
Our courting days, and wedding morn,  
When every one was glad.

I have Will's bird to sing to me,  
And, lest it pine for trees,  
When Sunday evening's calm and fair  
I take it for a breeze.  
Will's lying not so far from this,  
And that is where we go:  
The little bird cheeps cheerily—  
I fancy it may know.

Will's buried by the old grey church  
That stands upon the moor,  
And as I can't take Dick inside,  
I listen at the door;  
And every word the parson speaks,  
I seem to hear Will say,  
"That's something good for you, old girl"—  
For that was poor Will's way.