

THE SHAREHOLDER.

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FIRE INSURANCE IN CANADA.

In another column we give a brief general outline of the Annual Report of the Superintendent of Insurance for 1881. The portion relating exclusively to fire insurance we now present, in a summarised form, by itself. It can hardly be said to be satisfactory. The report says:—In 1880 we had to note the most prosperous year for fire insurance on record; in 1881 we had to record the most disastrous (with the two exceptions of 1870 and the year of the St. John conflagration, 1877). The loss rate has reached 83.94, which has been exceeded only on the two occasions above stated." The Quebec fire in June, 1881, at which three millions of property was destroyed, and which entailed losses to the amount of \$800,736 on the companies, was a prominent cause of this character of the year. But it is added that "in addition to exceptional causes, the number and extent of sporadic destruction was great, and fell very much on what was considered risks of the first order." The amount paid for losses has reached 82.83 per cent. of that received for premiums, being the highest rate known except that for 1870 (84.77), and that for the year (1877) of the great fire at St. John (225.58). The average on the whole of the thirteen years recorded now stands at 80.90. The heaviest rate of loss has, however, fallen on the Canadian companies, whose payments have been at the rate of 110.80 per cent. of premiums, whilst payments by British companies have been at the rate of 70.94 per cent., and those by American companies only at the rate of 61.21 per cent. The net amount of policies in force at the end of 1881 was \$462,210,000, being an increase of \$50,647,000 on the year. But in policies held by Canadian companies there was a decrease of \$965,000 with an increase of \$47,975,000 in those held by British, and \$3,639,000 in those held by American companies. The report says on these points that:—"This very large increase in the volume of insurance existing, being more than fifty millions in excess of that of 1880, is, no doubt, in great part due to natural growth of property and to large mercantile stocks, thus indicating a condition of prosperity in the community; but some of it is also due to a transference of risks from the small local or provincial companies (most of them mutual) to those licensed by the

Dominion." The details of the last two years' business is condensed in the following statement:—

	CANADIAN COMPANIES.		BRITISH COMPANIES.		AMERICAN COMPANIES.	
	1881.	1880.	1881.	1880.	1881.	1880.
Net cash for premiums.....	\$ 1,206,470	\$ 1,190,029	\$ 2,353,228	\$ 2,048,408	\$ 267,388	\$ 241,140
Gross amount of policies.....	140,331,153	131,079,789	271,044,719	227,537,306	30,040,366	25,434,768
Net amount of risk.....	153,436,408	154,403,173	277,721,299	229,745,985	31,053,261	27,414,113
Net amount of losses.....	1,351,783	648,516	1,697,639	763,640	162,959	112,680
Net amount paid for losses..	1,336,758	701,639	1,669,405	865,423	163,661	109,516
Unsettled claims—						
Not resisted.....	1,107	77,238	58,677	5,507	16,040	11,901
Resisted.....	8,650	4,640	16,013	24,670	None.	2,208

The total amount of the last two years' business was as follows:—Net premiums, \$3,827,116 in 1881 vs. \$3,479,577 in 1880; gross amount of policies, \$441,416,238 vs. \$384,051,861; net amount at risk, \$462,210,968 vs. \$411,563,271; net amount of losses, \$3,212,381 vs. \$1,524,836; net amount paid for losses, \$3,160,824 vs. \$1,666,578; unsettled claims not resisted, \$165,824 vs. \$116,646; unsettled claims resisted, \$24,663 vs. \$31,510. In regard to the situation of the Canadian companies at the close of the year, the report has the following remarks:—"The assets of the nine Canadian companies doing fire business amounted at the end of the year to \$4,250,894, covering a total amount of insurance of all kinds of \$274,571,096, being at the rate of \$15.48 for every \$1,000 of insurance in force. They have also a reserve of subscribed capital not called up amounting to \$4,107,533, making a total security of \$30.44 for every \$1,000 insured. The liabilities of the same companies amounted to \$2,340,438, made up as follows:—

Unsettled losses	\$ 467,319
Unearned premiums.....	1,709,146
Sundry	163,973
Total.....	\$2,340,438

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 a current Ocean risk. If this amount had been taken on the scale considered by some authorities to be sufficient for re-insurance, it would have given a much smaller liability. Even with the above rigid estimate, 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 \$1,910,456. The capital stock of these companies, paid up or in course of payment, amounts to \$2,133,495, and the result shows an impairment of this capital to the amount of \$223,039—the surplus over capital of \$356,044 which they had at the beginning of the year being thus reversed."

GOOD TIMES.

THE diminution in the active rush of business which is always perceptible at midsummer is again apparent, but less perceptibly so than usual. Importation is naturally somewhat languishing, but, on the other hand, the news is universal that the factories of all kinds are in full swing, offering ample work at terms of most acceptable liberality. Skilled labor of any kind has no longer excuse for idleness, while farm hands and the untrained laborer almost control the position. Another important indication of the general prosperity is the great increase of railway traffic—a very reliable financial barometer at all times. The railways building all over the country, literally from the Atlantic to the Pacific, and more or less in each one of the Provinces, cause the circulation of an enormous amount of money and the absorption of a great mass of labor. The large immigration of wealthy men has added largely to the former, while the enormous increase of the poorer class of new-comers from Europe presages surely an approaching large but steady addition to the material resources of the country. A most bountiful harvest has to be enumerated amongst the additional blessings which have this year been showered upon us, and the exemption from epidemics or natural disturbances have, on our side of the lines, been exceptionally marked. Canada—all North America indeed—forms a happy contrast to Europe to-day. In the latter, for the greater part, deficient harvests are once again reported. Nihilism, sedition, revolt are the leading political features. War has once more reared its bloody front, and all continental Europe is but one armed camp which may at any moment be thrown into a desperate and prolonged struggle. It seems, indeed, as if the Eastern Hemisphere may be on the eve of one of the most fearful struggles that has ever yet desolated humanity. Trade and commerce can only suffer there even from the present attitude. Here we have peace, abundance, and an absolute political content. In fact, the "good time coming" so long has at length arrived, and, so far as relates to matters under human guidance the folly and improvidence of our own people can alone prevent its continuance.

BROKERS' SEATS.—The Supreme Court of New York has recently decided that a seat in an "Exchange," or Board of Brokers, is a property which can be attached for debt and sold for the benefit of creditors.