companies, including all which have regularly established United States branches, have put upon their policies virtually the construction that, omitting all reference to whether the conflagration was caused by the earthquake, they are in each case liable to pay the value of the property consumed, fixed at the point of time when the earthquake damage had been done. That is, for instance, if the earthquake had injured a building, 20 per cent. or 25 per cent., the company would adjust on the basis of 80 per cent. or 75 per cent. This as to buildings and, as to contents, on a proportionate basis, deemed reasonable under the circumstances.

These conditions are most unsatisfactory for most of the companies. They are dealing liberally with all, paying far more than their contracts fairly call for if, indeed they call for anything. Yet they are not given credit for this, but are treated as though they were plainly liable for the full earthquake damage and were seeking to escape a part of that liability. And, back of that, rankles the assurance that State authorities, judges and juries would inevitably follow public sentiment and hold them liable.

What course then for the future?

Two courses are open, both subject to objections: To put a plain, unequivocal exclusion of earthquake losses and of any damage or loss upon property already damaged by earthquake into their policies, or to recover earthquake loss and damage clearly and fully.

Notwithstanding that, in the present temper of the public, no "earthquake" clause would in our opinion stand in the courts, it may be that, if no adverse judgment were now rendered, the use of such a provision would be effectual next time; because policies would be taken with that understanding and there would be no confusion.

So far as effectiveness is concerned, therefore, this course might not be open to objection. How would it be in other regards, remains to be considered. It may be that the public would accept it, without serious opposition, as a measure dictated by common business prudence, after the horrible experience recently undergone, but the contrary may also be true, that it would arouse general indignation, incite unfavourable and compulsory legislation and even encourage the idea of inaugurating State insurance.

The other course, viz., to specifically cover the earthquake hazard, would unquestionably result in general satisfaction and approval and would go a long way toward making an increase in rates palatable. It would be in line with what the American public has grown to demand in all branches of insurance, viz., full protection, free of hampering restrictions, for which, also, it has always been ready and willing to pay an ample premium.—"The Chronicle," New York.

BARON KOMURA.

A very distinguished statesman was a passenger on the "Empress of Ireland" last week, sailing from Quebec for Liverpool in the person of Baron Komura, who was recently appointed Japanese Ambassador to the Court of St. James. Speaking of political parties, the Baron said:—"At the present time Japan is practically without an opposition, as the war in which the country was recently engaged, made the people forget political differences, and set to work to build up the financial strength of the country, and sustain the Government in its post-bellum policy."

LATE JOHN A. McCALL.

Many persons will be interested to know that Mr. John A. McCall, the late president of the New York Life Insurance Company, died a comparatively poor man. The appraisement of his property in the State of New York was completed, and it was shown that his net personal property did not exceed $40,835, or about eight thousand pounds. As Mr. McCall owned no real estate anywhere in New York State, it is evident that most of the attacks made upon his character were unjustifiable—to use the mildest word possible. This victim of "Yellow Press" malignity will certainly be rehabilitated in public esteem, whatever may happen in other cases.

A FURTHER RESULT OF THE ARMSTRONG LEGISLATION.

INCORPORATION OF THE INTERNATIONAL LIFE INSURANCE COMPANY OF NEW JERSEY.

Every passing month, and in fact almost every passing week, adds some new and often unexpected development arising out of the Armstrong Legislation in New York. That legislation does not take effect until the first of January of next year, and its full influence will, of course, not be realized till then, and probably not even for some time after that. Its advance shadow, however, is already seen. At one time we hear of branch offices in different parts of the world being closed by the New York companies and of great numbers of their agents being thrown out of employment; again, it is of the dissatisfaction of the British manager and leading agents of the Mutual Life of New York resulting in the attempted transfer of the entire business of that company in the United Kingdom to the North British & Mercantile Office, which, not being hampered by legislation, has been able to make an offer to the Mutual's policy-holders, which any New York company would be prohibited from making, and still again it is that life premiums are about to be increased as the result of the limitation of expenses based upon the amount of the loadings contained in the premiums, by which a company which charges high premiums is