

ELECTRICAL BUREAU REPORT.—The quarterly report of the Electrical Bureau of the National Board of Fire Underwriters, Chicago, records 136 electrical fires, with losses aggregating \$156,000. In 173 fires, believed to have been due to electricity, the fire destroyed the proof or their origin; sixteen crosses of high and low potential circuits were reported, and thirty-one losses were due to short-circuiting in interior wiring, eleven of them in flexible cords.

THE PHOENIX, OF LONDON.—The statement of the United States branch of the Phoenix Assurance Co., Limited, of London, for the year ended Dec. 31, 1904, makes a very handsome showing. The total assets have increased to \$3,202,875. The unearned premium reserve now stands at \$1,871,129. The surplus increased during the year \$209,716, to \$1,069,008. The United States branch of the Phoenix Assurance has steadily developed a very profitable underwriting business, and deservedly enjoys the confidence of the policy-holders.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

NEW YORK INSURANCE LETTER.

New York, Feb. 8, 1905.

The enforced retirement of Mr. Robert Dickson as United States Manager of the Royal Exchange Assurance Corporation has induced much reflection and comment upon company morals and management in this city and vicinity. It has shown for one thing that no man can set himself up as a judge of his own actions in absolute defiance of the constituted authorities, and of the agreed practices of the rank and file among the best companies. Under Mr. Dickson's nepotie management there is no doubt at all that the laws of Massachusetts were violated and the rules of good underwriting outraged in more than one instance. At this writing no successor to Mr. Dickson has been appointed, but Manager Hiles from the Home office is in New York, and out of the host of applications will in time doubtless sift out the proper man.

I see it stated that the Committee of Twenty appointed by the National Board to investigate conditions and recommend improvements in the large cities of the country, is offering its reports for sale to the various offices at so much for a single report, and a large aggregate sum for all the reports. It strikes me that all the companies contributing to the support of the National Board, which includes nearly every stock company of any importance in this country, should be entitled to the benefit to be derived from these reports without any extra charge. If the members of the Committee have been at any personal expense in their labours no doubt the National Board would freely reimburse them. But it looks odd to an outsider to hear of charges being made for that which supposedly, has already been paid for.

One of the unpleasant sensations of the early part of this year has been the developments resulting from the investigation of the Washington Life by the New York Insurance Department. In a preceding paragraph we have spoken of nepotie management, but here was nepotism in its ugliest and most objectionable form. It was found that President Brewer and Vice-President Brewer, father and son, were paying themselves \$35,-

000 per year for a service which, so far from being valuable, turned out to be despoiling and wrecking the company. Fortunately the resignations of practically all of the old officers of the Washington have been received, and the Presidency has been bestowed upon Mr. John Tatlock, a well-known life insurance man, who with a good knowledge of the business and backed up by extra funds, which have been contributed, will, it is hoped, put new life in the company, and push it forward once more among the standard institutions of the country.

Much talk is being occasioned in this city by the proposed Two Platoon System for the fire department. Fire insurance men are not disposed to look with favour upon this innovation, as they do not consider that it will add to the efficiency of the department. It is true that this system has not yet been fairly tried in this city, but, at its best, experts are agreed that the system in use for many years would be in the long run much more efficacious. It is exceedingly doubtful whether the new plan will ever be permanently adopted.

QUERIST.

LONDON LETTER

FINANCE.

London, Eng., January 26, 1905.

The year opened with the highest hopes on the part of investors and speculators. These hopes were based upon reason and common sense. Nevertheless, they have proved futile. After a sharp rise in prices, which left the average outsider loaded with his shares at the top prices, a steady settling down began. Spreading to every market in turn, the eventual experience has been that just as the new year was barely four weeks old, everything was at a depreciated value.

Speculative account, which had been top-heavy on the bull side, is now inclined the other way, however, and at the fortnightly settlement now in progress, many descriptions are heavily oversold. The result is all the same, a great blow to public confidence in the market, and the payment of heavy contangoes is not calculated to relieve the depression in spirits. The curious thing, of course, is, that despite the grave happenings in Russia, with all that they can mean for the Continental Bourses, it has not been the market in international bonds which has suffered most severely. Rather has it been the markets which are more peculiarly English, namely, those in Grand Trunks, Home Railways and Argentine Railways, which are the worst sufferers.

The readiness with which Grand Trunks have succumbed, is explained in a more or less circuitous fashion by a shrinkage in the speculation for the rise. As I have recorded in earlier letters, these Canadian railway descriptions rose to particularly high esteem after the finish of the first half of last year, but the progress towards actual economical recovery was naturally slower than the ardent hopes of the bulls would have justified. And so the result is Trunk Ordinary is now down from 23 to 21—all the other numerous descriptions falling much in the same way and in a very short time. Home Rails have also suffered from not having turned out on the half-year's working to have done so well as the big bull party had hoped—many dividends being disappointing.

The position of the London money market shows gradual improvement, and in this lies the chief hope of the future short of an end being put to the war in the