

## Correspondence.

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

To the Editor,

Dear Sir:—In your issue of the 1st inst., on page 686, there appears an item in a letter from your London correspondent, to the effect that negotiations are proceeding for the amalgamation of the "Lancashire" with another leading British insurance office. This statement is absolutely incorrect, and I am in a position to state authoritatively that there is not a word of truth in it, nor is there the slightest foundation for any rumour of the kind so far as this company is concerned. I am aware that you state you do not hold yourselves responsible for views expressed by correspondents, but I regret that you should have published this item without making some effort to have the report confirmed. The report is so absurd that it scarcely requires any denial from me, yet, in order that there may be no misunderstanding on the part of our friends, I trust you will give prominence in your next issue to its contradiction.

Yours truly,

J. G. THOMPSON,  
Manager.

### LONDON LETTER.

FINANCIAL.

24th May, 1900.

Mafeking! It was all Mafeking; everywhere and with everybody. Market operations, like everything else, were at a standstill last Saturday. The members of the Stock Exchange turned up at the House to the number of five thousand (including authorized clerks), and such a scene was witnessed which had never been seen there before, and there have been a good many riotous times within these precincts. Cheering columns marched about, and everybody sang, yelled, laughed and waved flags. Baden-Powell's health was drunk in unlimited champagne, and Charlie Clarke, who always takes the lead in these affairs, conducted the singers of loyal and patriotic songs. After the closing of the House, the members surged down on Throgmorton St., and on the large open space bounded by the Bank of England, the Royal Exchange and the Mansion House, where scenes of still more delirious excitement were witnessed. Silk hats were stove in, no matter to whom they belonged, and almost crazy revelries lasted all day long. The rest of London was the same; the Strand, Fleet Street, Piccadilly, being in the possession of large, marching, noisy crowds, and King Carnival, in patriotic guise, ruled them all. Pent-up feeling burst all barriers, and such a scene was enacted by unanimous millions of men, women and children of all classes, temperament and ages, which once and for all cancels the old idea that Englishmen take their pleasures sadly. The scene defied description, and had to be seen to be properly appreciated.

The stock and money markets were a long time getting to business again this week, and an improved tone is apparent. The Rhodesian budget declaration helped securities concerned with that territory, and the relief of the little beleaguered town on the main trunk railroad to Bulawayo has opened the southern route once more.

Following the lead of the Central London Electric Railway, which will now shortly be opened, the old District Railway is going to adopt, one part of the system, electric traction. The smoky "Underground" has been one of London's unavoidable terrors for some generations now, and it is a relief to learn that up-to-date enterprise is at last to be set at work, and metropolitan underground railway traveling made bearable, even, if not pleasant. District shares have jumped a point or two on the announcement.

The Lipton report disappointed a good many people. The old dividend of 11 per cent. only was paid when an increase had been confidently expected. The "Daily Mail" gave a "semi-official" forecast a few weeks ago, of an expanded dividend, and caused a recovery in the price of the \$5 shares to \$13.25—at which price someone sold considerably. The quotation is now down to about ten dollars. Is the company (of which the capital is 12 1-2 million dollars), suffering from Sir T. J. Lipton's absence in connection with his yachting and society duties?

Inter-investment is a prominent feature in our great new textile combinations. For instance, the Bradford Dyers' Association invests \$250,000 in the British Cotton and Wool Dyers' Association, and the latter combine returns the commitment by buying shares in the Bradford Company to a similar amount. These are not the only instances of this prominent new financial and industrial feature, and they indicate a still further growth of the combination principle.

Amongst forthcoming combines are several in Scotland. The great amalgamation of the Clydebank Engineering Company and John Brown and Company will be remembered, and upon similar lines the fusion of Charles Cammell and Company and the Fairfield Shipbuilding and Engineering Company will proceed. In the east of Scotland a batch of coal mines are to be amalgamated, and on the Clyde, yet another engineering union is promised—Dixon and Company negotiating with the Calderbank Steel Company. All these are old, huge and wealthy undertakings.

Are we to continue so prosperous as we have been during the last year or two. The bankruptcy returns for the first four weeks of the year do not say so. Increases are the general experiences. Insolvencies in the building trade have increased 40 per cent. as compared with the corresponding period of last year, and in the timber trade, 20 per cent. Publishers, company promoters and solicitors show a big increase, and the only notable improvement is amongst medical men and druggists.

The resignation of George B. Reeve from his old post as general traffic manager of the Grand Trunk Railway has been widely noticed over here, where his personality is well-known, and many people have been saying things about him nearly as laudatory as those uttered for C. M. Hays, the general manager.

### INSURANCE.

The tendency of the average human being seems to be to take precautions against anything extraordinary and adverse happening when it overlooks the ordinary, humble little risk. Against this lies the testimony of the insurance offices that it is just the little ordinary thing that occurs and eats away profit. For instance, in accident insurance business, how often it has been the experience that men have risked their lives in all sorts of dangerous ways and pulled through successfully, only to go and break their backs over a piece of orange peel or banana skin. Thoughts of this kind arise when we read of the glowing accounts of the new plan for insuring Alpine travellers against the risks of their pastime. The risk of falling over a precipice looks terrible, even, but really it is most rare; getting run over by a London hansom cab being even so much more of an immediate contingency.

Alas! poor fire insurance companies. The loss from the fire at Keiller's great jam and marmalade factory at Dundee, on May 10, is reckoned to fully equal \$300,000. The Norwich Union, with \$45,000; the Northern, with \$30,000; and the Liverpool and London and Globe, the Guardian and the Palatine, each with \$25,000, are the leading underwriters. And there are many others.

D. J. Surene who has been connected with the Caledonian Insurance Company for thirty-one years, has just retired from the secretaryship. During his service with the Caledonian, he inaugurated many important modes of transacting business, and was most enthusiastic in the interest of his great institution. R. Chapman and R. H. Stewart have been appointed secretaries in his place, and both are well-tried gentlemen. James Cowan received an appointment as second officer of the company with the title of fire manager.

The life assurance returns published by the Government show that industrial business is going ahead with remarkable speed. For 1899, the total premium income from this class of business in the United Kingdom was \$40,373,640, and the total premium income of all descriptions, \$43,969,275. The funds in reserve amounted to \$91,961,415. The progress has been very rapid since 1882, when the first official collector figures were given. Since then the funds have increased twelve times, and the premiums more than four-fold. In 1882 the funds were equal to 80 per cent. of one year's premiums. Now they are equal to 228 per cent. Claims,