

LONDON LETTER.**FINANCE.**

25th October, 1900.

In the breathing space between the general election over here, and the assembly of the new parliament, it is interesting, from a financial standpoint, to pause for a moment and consider the fact that out of 670 members, 279 hold directorships. Altogether, these gentlemen (of whom 196 are Conservatives or Unionists, and 83 members of the Opposition), hold 1,099 directorships. Sir J. Maclure is at the top of the line with 35 directorships to his name (two or three of them being in Canadian companies), and several other gentlemen have over a score each. Neither Party can afford to throw stones at the other about these multiple directorships, as each is in the thick of it. Even one of the Labour Members, W. Abraham, sits on the Boards of four companies, one of them being the London, Edinburgh and Glasgow Assurance Company.

The Anglo-German agreement, although we have not yet quite settled what it means, has done more in the way of arousing activity on the Stock Exchange than any amount of South African victories and successful military operations in the Far East. Through all the markets there has been quite a burst of life, and actually the public has been tempted in. We are sincerely hoping that the old dull, listless time has gone forever. We have had quite enough of it—twelve months or more. The face of the broker beams once more.

Solitude, however, reigns in the West African market. Operators are trekking back to their old homes in this busy time, and, as the fictitious vivacity of Bibianis, Ashanti gold-fields and others of this market's specialties, deceives nobody, few of us are any the poorer for it. A few, however, have, as is usual, bought experience dearly.

Easy money, besides lifting Consols, Khaki's and other gilt-edged investments considerably has also unloosed the gate of joint-stock promotion, and four or five new companies are competing for the suffrages and the subscription of the general public. Perhaps the biggest is the British and African Steam Navigation Company (1900), which has a very important connection with Elder-Dempster & Co., a firm which will be well-known on your side of the Atlantic. Electrical works also seem to be in favour just now with promoters.

Taking all things together, the aspect of affairs just now is more promising than it has been for a very long time. Surely we cannot put it all down to the mysterious Agreement. Anyhow, one of the greatest bugbears of present day manufacturing, the high price of coal, looks like undergoing a radical change. In fact, it is said, on a good many sides, that the coal boom is collapsing. All the better if it is so. But one gets doubtful about the accuracy of these sudden ending of things nowadays.

Amongst trades which do not brighten, might be classed the iron industries. Here, all the signs are of a lessened activity, shading away at last into complete stagnation. Ship-building is rather uncertain. The recent big spurt in business must be due to delayed

Admiralty and other orders for the general tendency is certainly in a downward direction.

INSURANCE.

The promised boom in nitrates is discredited on this side. It is true that the industry is in a depressed condition, and that combination for the regulation of price and production is needed, but these things take a long time to bring about. What price the Coffee Syndicate.

The insurance clerk in the United Kingdom wants to have a good, general education if he wishes to get through the 1901 examinations of the Federation of Insurance Institutes. The subjects are chemistry, building construction, fire office guarantee work, processes of the manufacture of cotton, boots and shoes, pottery, bricks and tiles, tariffs applicable to these same manufactures, policy drafting for same, law of fire insurance, personal accident insurance and fidelity guarantee, fire and life correspondence, and office work, and last, but by no means least, mathematics up to and including the binominal theorem. It is big enough without the binominal theorem.

Mutual insurance is taking a run now that municipal insurance is having a quiet time. Farmers' mutuals are already pretty numerous, and there is a fresh crop just out, but not showing any particular signs of vigor. Then there is the mutual insurance movement amongst proprietors of members of tile houses, who have formed themselves into an association for the mutual insurance of their licenses. This is in Scotland and that was just the place where one might have expected new attempts towards thrift to be made. But some day, even the canny Scot will learn that mutual insurance, in nine cases out of ten, is a "penny wise and pound foolish" policy.

Manly, the actuary of the old Equitable, is not the sort of man to allow a misstatement about the Society to pass. The "Westminster Gazette" happened to say of the company that it paid nothing, either in dividends or bonuses, there being no shareholders. As it happens that out of \$1,170,000 claims paid last year, more than a half was for bonuses, the statement might well have been misleading. Manly at once wrote, pointing out that the only people bonuses were not given to were shareholders—there being no shareholders.

A brisk business is being done in the renewals of war insurance at the reduced rate which has become general, owing to the lessening of the apparent risk. In the fire world, things are fairly lively, and three or four substantial fires have matured, just to show that the business is not yet a sinecure.

RECENT LEGAL DECISIONS.

THE CO-INSURANCE CLAUSE.—The reasons of the Ontario Court of Appeal, in deciding in favour of the Lancashire Insurance Company in the Eckard suit, that the Co-insurance Clause is just and reasonable have now been published. They form an interesting commentary upon several important questions, and give both sides of what can be said, for the Court was divided 3 to 2. A majority of the Court holds that when an owner of property takes