

really comes to believe he has a vested right in it is well calculated to destroy the peace of a happy home. What they have they will hold, say some of them; non tariff office, yes even the tariffs themselves, to the contrary notwithstanding—They do manage it somehow.

There is rumour of some legislation, or the consideration of some, at the approaching quarterly meeting of the C.F.U.A. in Toronto, in the direction of introducing such Rules for the Agencies at towns and cities other than Toronto, Quebec, Montreal, etc., as shall besides limiting the amount of commission to be paid agents, also provide that each company shall be restricted to one agent only, who must be a resident at his agency, and also shall not represent a non-tariff office. Personally I do not believe that it is likely any such legislation will be carried by the Association, or, if carried, that it will survive its first year, without such amendments (as is usual) being introduced as shall completely alter its scope and original intent. The C.F.U.A. has had enough legislation provided, its best friends say, to carry on its legitimate work for several years to come. Still there are certain restless spirits who desire to introduce rules that they think will check some apparent evil, and, having the right to be heard, they, of course, will be heard. What the C.F.U.A. as a whole may decide to do is another thing, and for the ultimate issue we must be content to wait.

ARIEL.

TORONTO, 11th April, 1898.

### OUR LONDON LETTER.

(Special to the CHRONICLE.)

LONDON, 30th March, 1898.

#### FINANCIAL.

Horatio Bottomley is either the greatest swindler or the greatest financier of his time—a remark which he apparently endorses. Anyhow, when one of the shareholders at the Northern Territories' Goldfields meeting said that that construction was either the biggest swindle or the biggest success of the century, Horatio nodded approval. He is a very wonderful man. He has taken some of the most promising enterprises right down to ruin, and he has lifted others out of the shadow of bankruptcy into the bright light of success. Amongst his recent successes must be mentioned that 3½ column report he got in the *Daily Telegraph*—the very first time that the *D. T.* gave so much space to a company meeting.

The last reverberations of the Lipton transfer are dying away, and the anxiety of waiting for an allotment is being allayed. Multitudes of little investors have had their hearts gladdened whilst the speculators who went in for great batches of shares have come out of the fray disconsolately. They are saying that a wealthy marchioness applied for the whole of the debenture issue. She did not get it.

Those corporations which underwrote the Chinese Loan bit off more than they have been able to chew. Only 25% of the issue has been subscribed, and the underwriters are hustling round for the remaining 75%. The Hong-Kong and Shanghai Banking Corporation gave the underwriters 2½% for securing the subscription, and the underwriters parted with 1¼% elsewhere to be relieved of some of the responsibility. Therefore the loan and its losses will cover a very wide area.

It cannot be wondered at though that when the same people were asked to stand security for the Greek 2½% Loan the answer was not exactly enthusiastic, and the deal has not come off yet.

A fresh stage in the war of the cocoas has been reached. For the last three years cocoa has been the most prominently advertised commodity in this country, and the different brands have struggled without pause for the biggest sale, and the shifts to which they have resorted have at times been amusing. Rown-tree's presented every lady who rode in an omnibus on a certain

day last year with a sample tin of their cocoa, and on an earlier date they gave away one day's issue of the *Daily Telegraph* free of charge. However, this present event concerns another and a younger cocoa-Vi-cocoa. First advertised in 1895, it has been before our eyes everywhere since then. It must have expended \$160,000 on advertising last year, but, all the same, a profit of \$364,160 accrued. The previous proprietors now seek to sell the three-year-old youngster to a company with a capital of \$2,000,000, of which the purchase price will take \$1,500,000. It should go off—an Englishman dearly loves an industrial undertaking.

Allsopp's proposal for the creation of \$5,000,000 deferred capital is not being snapped at however.

Canadian, Yankee and Mexican rails are quite a blazing market just at present, the operators being of opinion that the slump has been carried beyond all reason. The Can. Pac.'s suggested conference is a livening influence, as it was this line's unapproachability that depressed things considerably.

The shadow of political conditions still hovers around Capel Court, and Spanish securities are distinctly flat.

#### INSURANCE.

Industrial life assurance is the most progressive feature of modern underwriting, and a review of the progress of the offices for the past twenty-six years which I have just seen is very encouraging. In 1871 the Standard stood at the head with an income of \$2,680,000, now it is fifth on the list. The Scottish Widows and the Gresham were respectively second and third and are now third and fourth. The North British & Mercantile stays where it did, in the sixth place. The Scottish Provident has risen eight places. The British Workman's & General has jumped from place 73 to place 8 on the list. The Prudential, which was then fourth, is now first, with an income seven times greater than the office second to it—the Refuge. The Ref. only occupied 66th place in 1871. The Pearl, then seventieth, is now tenth. There are eighty-one British life offices, and out of nine industrial offices no less than four hold positions amongst the first ten. Industrial insurance is a great thing.

The Scottish Alliance, a thriving ten-year-old company, proposes to double its \$1,200,000 capital. Last year has been generous in good things for it. The income from premiums rose to \$605,000, and claims took 59.8%, expenses 29.4%. Mr. Tipping's prudent management, the directors' sound finance and the shareholders self-restraint have all tended to bring substantial prosperity, and the coming years can but strengthen this brilliant office.

The Thames & Mersey Marine Insurance Company, of which I referred recently, is feeling some of the bad effects of rate-cutting. This cutting pervades most of the marine offices, and is working untold mischief. I am inclined to think that it is not owing so much to fair competition as to unbusinesslike cupidity. Anyhow, the T. & M. were induced by their underwriter to renew an old and hitherto safe risk at 50% below usual rates. They are now ruefully regarding a couple of \$25,000 total losses.

The Manchester Fire is doing well, very well. The premium income for last year is \$4,250,000 as compared with \$2,575,000 only five years ago. The loss ratio drops to 57.8%, the lowest for many years. The "purchase of American business account" shows a surplus of \$85,510.

The Argentine Government has had to submit to the inevitable. The compulsory loan will not be levied on the foreign insurance offices. A unanimous threat to close up business, cancel all insurances and shake the dust of inhospitable La Plata from their feet had the desired effect.

A Canadian manager has been across here very recently, and we are expecting more competition.