

life-insurance, and if the public attended to it more promptly and carefully, there would be fewer losses from fire, and a great deal less misery in the world.

VICTORIA MUTUAL FIRE INSURANCE COMPANY.

The business of this Company continues to increase steadily, as shown in the report. It appears to be the aim of the Directors to conduct their business on conservative principles, by adhering to the essential features of the mutual system, and maintaining a strong reserve of premium notes. The views expressed in the report in reference to the cash system among mutual companies are sound, and show that the management of this Company rightly appreciate their responsibilities. It is satisfactory to be able to report the continued success of this local Company.

INSURANCE NOTES FROM NEW YORK.

A great variety of questions of living interest were discussed at the Convention of Superintendents and other representatives of the insurance interest, which was brought to a close last week. In reference to a number of important matters no conclusion was arrived at, though excellent service was done in their ventilation and in the free interchange of views regarding them. To perfect the work so auspiciously begun it is proposed to re-assemble the Convention in October next. It was, however, decided to recommend the adoption in the various States of (1) Uniform forms of annual statements only in the life and marine companies. (2) The requirement of deposits of companies only in the States where they are organized. (3) The appointment of but one attorney by each company in each State where it transacts business, to receive service of process. (4) And other important reforms, looking to a simplification and unification of the great insurance system, and harmonious and reciprocal supervisory action of the respective State insurance departments.

A section of the insurance press has fallen under the odium of the Superintendents, and was made the subject of one or two resolutions. The following was passed: "Resolved, That in the judgment of this Convention the criticisms of an independent, capable and moral insurance press are calculated to be of value to the community, to the several insurance companies, and to all interests or officials connected in any way therewith; and that it is important that an insurance press of such character only should be maintained." This is understood to be the "retort courteous" to the attacks of *The Insurance Times* upon Superintendent Miller. It will, no doubt induce a counter demonstration on the part of Mr. English, who seems ready and willing to fight. The Superintendent will not stand alone in the hostilities which may now be said to be duly declared,

since *The Monitor* and *The Spectator* will both espouse his cause.

Three of the leading stock life companies have agreed upon a uniform tariff of premiums—the National of Washington, the Universal of New York and the Republic. The remaining two, the Travellers and the State (of New York), are expected to come into the combination. All the three companies above named agree to adopt and use only the set of rates agreed upon. The arrangement commenced last month.

The Life Association of America has introduced "a new feature," which has attracted some attention. It consists in separating the margin exacted by Life Insurance Companies, with which to guard against adverse contingencies, from the premium, with which it has always been included, and place the same as a lien on the policy, in order that it may be freed from contingencies and other expenses. The effect is to reduce the premium in a mutual company, so as to make it nearly as low as the stock companies. The amount of the lien is deducted from the face of the policy at maturity. Already the idea has been adopted by the Hope Mutual and probably by other companies.

It is stated here that Mr. J. B. Bennett is organizing two more fire or fire-marine companies, which are soon to be floated. This looks like a threat on Mr. B's part to monopolize the business. No one doubts Mr. Bennett's executive power or questions his intimacy with the whole subject of fire and marine underwriting, but it may be, that in attempting to operate three companies, he is trying to pull too long an oar. We shall see.

THE INSURANCE OUTLOOK IN THE UNITED STATES.

(From a Correspondent.)

It seems to be conceded, in every well-informed quarter in the States, that the present outlook of insurance matters is not assuring; but the subject need not necessarily be approached with any feeling of despondency. The crisis, or rather reaction, has come at a time, and in a form, that will make the remedy all the more effectual, because of the incisiveness of the operation. I have often, during the past year, indicated through these columns the inevitability of the status in life insurance which the official returns for 1870 have revealed. Although the aggregate of accumulated business to the present time is large, yet it is mainly held by some fifteen out of seventy odd companies, leaving the balance to hopeless prospecting among the stones and briars of high commissions, high expenses, and refuse risks. Of the amount at risk, over two billions, 50 per cent. is held by a half-dozen companies! Of some \$99,000,000 premiums and \$115,000,000 total income for the past year, the same centralization is noticeable; and one-fifth of the companies hold two-thirds of the assets! Of course these monopolists are the old, staunch, experienced offices, with abundant resources and character. They have continued, notwithstanding the wild multiplication of companies during the past five years, to do about 75 per cent of all the desirable business. The moral of all this is told in the simple fact that three

young American offices have recently "departed," and several others are about to reinsure and retire while there is yet means to do so honorably. Thus the suddenness of the pressure will prove advantageous to the policyholders, who will be transferred before the dry-rot of lingering mismanagement and waste shall have made their case hopeless. A few years will see the number readjusted to the normal demands of life insurance; the public, now discontented, if not distrustful of the whole system, will be re-assured, and the business resume its old time ways. And it is fortunate for the 800,000 American assurants that a system of well-matured state supervision has been able to prevent, in time, what without it would have been a great national disaster and disgrace. Life insurance is a sacred trust, and every conscientious journalist will labor for its honorable perpetuity with grave anxiety.

The present muddle in the fire insurance business is not without its comic side. It is like a race between two noodles, who are endeavoring to see which can run the longest without food or sleep. The actual condition of the business is well understood by the companies, hence the public will have no tears to shed for officers as they "go under," or for stockholders who find their stock worthless. The companies seem to have deliberately entered the field for a war of extermination. The result is easily foreseen, and the end is not far off. Meantime, it may not be unprofitable to glance for a moment at the experience of the American fire insurance business for the past twelve years. The body of the underwriters know what it has been, but madness rules the hour.

By a series of very conclusive tables submitted to the National Board of Fire Underwriters, at the session of 1869, by Mr. D. A. Heald, of the Home Fire Insurance Company, and since continued down so as to embrace the experience of 1869 and 1870, certain results are shown. 1st—From 1859 to 1870, inclusive—twelve years—the average dividend earnings (including, of course, interest earnings) in the New York State companies were only 9.90, and in all the companies but 10.93 per cent. 2nd—The average percentage of fire losses paid to premiums received during the same twelve years was, in the New York State offices 56.31, in companies of other States 60.51, and in all the companies, 58.07 per cent. 3rd.—Average percentage of expenses to net cash premiums received, including inland, in the New York State companies, 34; in the aggregate of all the companies, 30.97. Now, if we add, in the case of the New York companies, the per cent. of loss, 56.31, and per cent. of expenses, 34, we have 90.31 on the dollar of the premiums sunk before the stockholders can have a show, and the whole story is told at a glance. And it may be mentioned, as a further encouragement to capitalists, that these tables show a steady annual increase in the ratio of expenses for every year since 1862. The actual profits of the business at large for the twelve years has been an average of 5.56 per cent. on an average aggregate capital of \$40,328,230. Yet in the face of this: