

Government department in this respect, as its 1898 valuation returns have only recently appeared.

Now that it has appeared, it shows a steady improvement on the part of the society. Following the lead of many other offices it this year puts a large amount to its reserve fund instead of spending it in bonuses and alters its assumed rate to 3 per cent. This is a sound principle which pays in the end. Sir Michael Hicks Beach, Bt., M.P., is a director of this society, and Michael Biddulph, D.L., J.P., M.P., of the great banking firm of Cocks, Biddulph & Co., is its chairman. It should not, therefore, lack expert advice.

The Security Company, an office established in 1889 to transact guarantee and burglary insurance, has transferred its business to the Ocean Accident and Guarantee Corporation, an office which, since its establishment in 1871, has gone ahead in a most enterprising manner. The Ocean is the principal office that underwrites the insurance offered by most popular periodicals to their readers.

I suppose there is little need to say in 1899, so far as we can judge already, marine underwriting has been in a worse condition than in most recent years, and they have been bad enough. The weather especially in the Atlantic, has been abominable, and the rates at which the business was covered has been even more so. The large and old established marine offices it is true have refused to be drawn into the worst of the rate cutting, but in the smaller and newer organizations it has been deadly.

Those policy-holders of the Prudential, North British and Mercantile, London and Liverpool and Globe, Economic and British Empire Mutual, who may go out in connection with the various volunteer corps now mobilizing for service in South Africa will not (under in some cases a condition or two) be called upon to pay any additional privileges. The Credit Assurance and Guarantee Corporation offers to cover any of the City of London Imperial Volunteers for a year for \$500 at a premium of \$25.

NEW YORK LETTER.

The Equitable—New York Life Controversy—New Re-Insurance Companies—The Insurance Superintendency—Statements of Fire and Life Companies—Other Gotham Notes of Interest.

New York, January 23rd, 1900.

This city has witnessed some stirring times in life insurance during the opening weeks of 1900. The New York Life having, for reasons of its own abrogated the agreement with the Equitable Life, whereby each company had bound itself not to entertain a proposition from an agent of the other, the latter company regarded the act as a signal for hostilities, and forthwith began to make contracts with the New York's agents in wholesale fashion. As many as four hundred agents were said at one time to have gone over to the Equitable, though many of them afterward returned to Mr. McCall's company. Some spicy correspondence passed between Mr. Tarbell and Mr. Perkins, who are virtually at the head of the agency departments of the respective companies, and the end is not yet in sight. Your correspondent finds no necessity to take sides with either company. Both doubtless had, or thought they had, provocation for whatever reprisals they may have made on each

other's agency force. The episode, however, carries with it matter for grave regret, for life insurance wars, whatever their nature, or whatever their cause, not only do not benefit the companies which engage in them, but they do an injury to the cause of life insurance generally.

Because it has been diligently fostered in certain quarters, there is a growing feeling against the practice of some of the big foreign fire insurance companies of maintaining re-insurance treaties with companies abroad, into which they throw their surplus lines. The practice is wholly defensible, for, it is entirely within the law, the original company takes the responsibility, and insurance is, thereby, placed for firms which need it, and might not otherwise get it. At all events the past year or two has been marked by the entry here of several companies whose purpose is to do a re-insurance business only. The Munich Re-insurance Company is one of these, and lately the St. Petersburg Insurance Company, of Russia, has entered, and will be managed by Mr. West Pollock, until recently associated with Mr. H. E. Bowers, in the United States Management of the North British and Mercantile. Mr. Pollock is a very capable man, and will doubtless do a safe and conservative business. The plans of Mr. Bowers, by the way, have not yet been announced, but it is likely he will engage in the agency business after the usual fashion of retired United States managers.

Insurance officers and managers are much interested in watching for the outcome of the political fight in which Supt. Payne, of the Insurance department of the State is seeking to get himself retained in office, Governor Roosevelt being equally determined that he shall go. Mr. Payn has many friends in "machine politics" who will aid him to the utmost extent, but the Governor is a man of iron will and inflexible purpose, and the opinion is general that Payn will be obliged to vacate. He is piling as many rocks as possible in the way of the Governor, by endeavoring to persuade possible appointees to decline to accept.

That fire insurance company was indeed fortunate which was able to hold its own during the trying times experienced in 1899. As a matter of fact, most of the companies will doubtless show a loss in assets and surplus, though there have been some surprising exceptions. Among them are the Home, of this city, which gained largely in both items, and the Aetna, of Hartford, which also made notable advances. In this connection it is proper to note the action of the New York Fire Insurance Exchange, which has taken decided steps to increase rates on nearly every class of property in the Metropolitan District. This increase has been needed ever since the rates went to pieces together with the much lamented compact some two years ago. An increase in rates is always attended with great difficulties, because, no matter to how low a mark the cost of insurance has fallen, the public always considers that it is being fleeced and pillaged if an attempt is made to put up the prices. However, by the companies in every large city in the country. They have the matter in their own hands, and it is their own fault if they continue to accept inadequate premiums.

Most of the life insurance companies show good gains in the sums of new business written in 1899.