

cellation of the policy they had no claim against the Company except for the unearned premium, which amounted to about \$8, but the court held otherwise and directed the verdict as aforesaid in favour of Messrs. D. W. Shoyer & Co."

#### New Zealand Loan.

The New Zealanders are huffed at the recent 3 per cent. loan of the Colony for \$6,250,000 having realized only 94½ in London. The New Zealand "Trade Review" says: "This reception amounts to a rebuff, not to New Zealand only but all Australia." Our contemporaries take this too seriously. Money has been in very active demand; heavy loans guaranteed by the British government for South Africa were being anticipated, so the New Zealand loan had competitors and did fairly well to get 94½ at the time. The Colony is about to be a heavy borrower, says the "Review," and may have to help itself. Now, this would not be helpful in London, as heavy borrowings do not conduce to enlarged credit. The Colony is reported to be in a very prosperous condition, and if it can find all the money needed for new public works probably the expenditures will be more prudently undertaken than they would be by the money coming from an outside source. The population on 31st December, 1902, was 863,360, of whom 43,143 were Maorics. The wheat production in past year from 194,355 acres was 5,441,940 bushels, equal to 28 bushels per acre; oats, 16,928,065 bushels from 483,659 acres, 35 bushels per acre; barley, 1,033,077 bushels from 27,921 acres, 37 bushels per acre. Evidently, New Zealand is one of the gardens of the Empire. From a distinguished native of the Colony in this city we learn that while there are no millionaires there are, practically, no paupers, and the average standard of living is probably higher in the Colony than in any other country.

#### Branch Store Hazards.

Whether a branch store managed by an agent is a worse risk than a store managed by its proprietor, is a question raised by the "Firemen's Fund Record." It is alleged on one side that, where the manager is not financially interested in the store, there is no reason why he should set it afire. This, however, is superficial; a branch store manager may not have a direct interest in the stock or the business, but he may have some motive for setting the premises on fire. One of the worst frauds ever perpetrated by a bank branch manager was avowedly inspired by revenge inspired by alleged unfair treatment. Our contemporary states another cause of fires at branch stores: "Where the manager of a branch store is a third-class poker player and loses the owner's money in the great

American game, he is compelled to burn the store to balance the cash, and the insurance company makes good his poker losses. Where the owner is manager, whether he wins or losses is nobody's business, and he is not compelled to cover his tracks with kerosene. From this experience, a manager who is a poor poker-player may be a bad moral hazard, while an owner with same bad luck in the game would be a good moral hazard. Branch stores and the small incorporated concerns that are supplanting the branch stores, are not as good a class of moral hazard as is the store where the cash is handled by the owner."

As a general proposition the fire hazard is affected in all cases by the character of the person in charge of premises whether he has any interest or not in their being protected from fire.

#### Power of the Insurance Firms.

In a speech before the Once a Year Club, New York, Dr. Fricke, ex-insurance commissioner, stated that he had made a compilation of examinations by insurance departments and the causes that led up to them to the extent of 1,800 or 2,000 instances. He found that 60 per cent. of all these examinations were of companies or associations that do not or did not advertise regularly in insurance publications, and with whose finances and affairs the insurance departments were not kept constantly familiar through the medium of the Press; that 10 per cent. of the examinations were directly due to suspicions engendered in the minds of insurance commissioners by news articles or comments published by insurance papers; that the rest were due to the requirements of various State laws, or were attributable to various causes. Dr. Fricke presented these statistics in confirmation of a statement made by him, in beginning his remarks, to the effect that if the insurance newspapers had nothing more or better to be proud of than their influence upon the work of State supervision, they would return a value to the insurance business which would abundantly justify the support they receive from insurance companies.

This experienced observer also said: "The clerks in insurance department offices who make a practice of reading insurance papers are the clerks who advance themselves and are considered valuable; those who pay no attention to current insurance literature are invariably of no value to themselves or to the State which employs them." This may be extended generally to clerks in insurance offices. Those who do not make a practice of carefully reading some high-class insurance paper show by such neglect that they have no interest in their occupation, hence they cannot expect advancement as they are not sufficiently qualified for promotion.