THE YORKSHIRE INSURANCE COMPANY.

Its Career Reviewed by "Insurance Observer" of London.

The Yorkshire Insurance Company, which, as recently announced in The Chronicle, has entered the United States, making its deposit in New York, is made the subject of a well written review by the "Insurance Observer" of London, which says:—

"Just now the affairs of the Yorkshire Insurance Company, Ltd., are attracting considerable attention, owing to the decision of the directors to establish direct business relations with the inhabitants of the United States. Hitherto, this fine old company, which was founded in the year 1824, and is therefore very nearly a nonogenarian, has merely accepted American surplus lines of the very soundest description, but it has now been determined to make the necessary deposits in the various States and open a United States branch office. The step is a bold one, but it is justified by the position which has been won by hard and conscientious work during the last few years. The 'Yorkshire' is no longer a small office. Its latest accounts, made up as at December 31, 1910, disclosed assets approximating to three million pounds sterling, and conditions of general stability which were simply admirable. An all-round sounder office does not, as a fact, exist, and the management in all departments is excellent. It may, indeed, be questioned whether a flaw of any sort, however small, could be found in the armour of this popular office, which is already renowned and esteemed in a good many countries outside of the United Kingdom. As a fire office it is already widely known, and its reputation is of the highest. For some considerable time past business has been transacted in Australia, New Zealand, South Africa, India, France, Germany and Japan, and quite recently the important Canadian field was invaded, an office being established at Montreal, and a local board, comprised of well known men, formed. Extension to the United States may be regarded, indeed, as the natural sequence to that most important departure. Parts of Canada and the United States are very closely connected so far as business is concerned, and a company which enters either field must find itself irresistibly impelled to extend the sphere of its operations to the other side of the border line.

"How the 'Yorkshire' will fare in the United States remains to be seen, but all the chances are in its favor. It does not go there as a stranger. In many States it has already secured hundreds of staunch friends, and its fame has extended to almost all parts of the country. Fire underwriting is, of course, a business always associated with considerable risk, and in the United States especially, conflagration dangers are constantly present. Apart from great and unexpected disasters, the company ought, however, to be perfectly safe. The ground to be opened is not unknown, and the company will be represented by really experienced underwriters, who may be trusted not to run any unnecessary risks. In a venture of this kind almost everything depends upon representation and reputation. Small companies frequently come to grief because they cannot afford to employ the best representatives, and the consequence is that they are landed with a large number of undesirable risks, meaning heavy losses in the future. There should be no such danger in this case. The Yorkshire's agents will be tried men, working under a capable management, and the company will not have to go cap in hand to brokers asking them for support.

"And it should be so, for its financial stability is indisputable. When the year 1910 came to an end the fire premium income had increased to £289,580, comparing with £276,259 in 1909, and with £263,902 in the preceding year. But the department was in as strong a position as ever before. £115,840, being 40 per cent. of the net premiums, was reserved for unexpired risks; there was a general reserve fund of £327,667, and £51,499 was at credit of profit and loss account; other funds amounting to £50,000 were also held in reserve for dividend, investment and pension purposes. Policyholders are, therefore, more than amply protected, without taking into account the share capital or the substantial sums which have been accumulated by the various minor departments. The 'Yorkshire,' as a fact, is strong in every department, and it thoroughly deserves the confidence of the insuring classes in whatever country it may do business. Although not by any means a giant in the matter of its premium income, it possesses exceptional strength, and could safely handle a business nearly twice as large as is now possessed."

Affairs in London

(Exclusive Correspondence of The Chronicle).

The Prospects for Dearer Money — New Court for Labor Disputes — North Atlantic Shipping Rates — Autumn Business Outlook.

The advance in the Bank of England rate to 4 per cent. is semi-officially described as "a precautionary measure." It would be difficult to account for the advance in any other way because the return shows an increase in the reserve for the week of fully a million. Since the meeting of directors on the previous Thursday there have been advances in the bank rates of Germany, Belgium, Denmark, Sweden and Austria, whilst France, which very rarely alters its rate and has not done so since 1908, has increased it from 3 per cent. to 3½ per cent. The following table shows the alterations in the rates at the principal European centres:—

	Previous rate p.c.	Last alteration	Present rate p.c.
London	3	March 9, 1911	4
France	3	Jan. 23, 1908	3½
Germany	4	Feb. 18, 1911	5
Belgium	4½	Sep. 15, 1911	5½
Denmark	4	Feb. 22, 1911	5
Austria	4	July 12, 1911	5
Sweden	4	July 6, 1911	4½

In discussing the causes which have led to the advance in rates there must not be overlooked the trade conditions which at this time of year (especially in Germany) tend to dearer money. Each autumn, for some years past, the bank rate at Berlin has been raised, and as a matter of fact, it has during the past fifteen years been more often over than under the present rate of 5 per cent. There is every indication that the Berlin rate may go to 6½ per cent. before the year is out, although this may not necessarily affect London to any great extent. The Bank of England has not experienced any great demands for gold at present, although it is probable they may appear shortly as a result of what has been appropriately termed a Continental war of bank rates.

Proposed Court for Labor Disputes.

The Board of Trade will officially issue in a few days an important White Paper respecting the pro-