

of premiums and assessments, including membership fees and dues, were \$16,508.69 less than the receipts of the previous year, the total receipts being \$147,888.73, as against \$164,397.72 in 1901. Total losses incurred were \$126,445.61, or less than those incurred during the previous year by \$21,927.17.

As I have annually, for some years past, through the printed reports of this department, duly demonstrated that the plan of assessment insurance is but temporary at the best, so long as insufficient rates or assessments are collected from the members or policyholders for the creation of a reserve sufficient to ensure the absolute payment in full of the policy contracts upon their certain maturity, it would appear unnecessary to make any further comments on this much discussed subject. Of the nine companies now operating in the state, practically none are conducting their business upon the old "post-mortem" or "pass the hat" plan—regular periodical premium payments or assessments being collected under the policy contracts, regardless of whether or not the immediate mortality claims necessitate such payments. If the members of this class of companies, which are collecting simply current mortality cost and expenses, would appreciate or understand the fact that they are merely paying for temporary protection from year to year, the same as is true with fire insurance protection, and consequently be wholly resigned when the period was reached that additional payments or assessments are required, or as an alternative the company must be placed in the hands of a receiver and its affairs wound up, there would possibly be no legitimate ground for objecting to the existence of a law permitting the organization and operation of this class of insurance institutions, for as long as they are able to pay their losses in full as the same accrue upon the small payments collected, the members have had temporary protection at a very small cost. Unfortunately, however, this does not prove to be true, the members universally raising a great outcry against the management of these institutions, as well as the supervising state officials, whenever the same become financially embarrassed or attempt to place their business upon a permanent and reliable financial basis by charging an adequate premium rate, and providing for the accumulation of a proper reserve."

THE HOME SEMI-CENTENNIAL.

The fiftieth anniversary of the Home Insurance Company was celebrated by a reception and banquet at the Waldorf-Astoria hotel, New York, on 13th ult. Both functions were highly successful. The attendants comprised a large number of the company's officials and representative underwriters from all parts of the United States. Amongst the other guests were a number of judges, bankers, financiers, merchants, and others occupying eminent positions

in public life. The feature of the anniversary was an address by the President, Mr. Washburn, who has been associated with the Home Insurance Company since 1859. In recalling earlier days he stated that in 1854 there were 65 companies who then made their reports, of whom 45 have so completely vanished that their very names can only be recalled by examining the records. "In the fifty years, during which the Home has lived in the United States, over 1,600 insurance companies, large and small, mutual and stock companies, fire and marine, have gone, as Fisk said, 'where the woodbine twineth.' Some were so soon done for we wonder what they were begun for." In those days there were no telephones, no elevators, no sky-scrapers, no trolley-cars, omnibuses ran in New York, and all transportation was by stages. The fire insurance business was regarded as a desperate undertaking.

"It seemed during the first two years that the fears of those who cautioned the organizers of the Home were about to be realized. The losses, as might have been expected, were larger than the directors and proprietors of the company expected they would be—so large as to necessitate passing the dividend in 1855. And the collision between the officers was so great that they separated, the first president retiring to Hartford, leaving the company in the hands of the New Yorkers entirely. But the business was reorganized; they had learned something, and they went on successfully to increase it. In 1858 they felt it wise to increase the capital, and they did so by issuing \$100,000, and had it not been for the panic of 1857 they would probably have made it more. In 1859 they further increased the capital to \$1,000,000; then came the Civil War, which decreased by one-third the premium receipts, closing up many agencies and retiring the company from territory where it had been doing a reasonably profitable business. In 1864 the management decided to increase the capital again, and doubled it to \$2,000,000. Their confidence in the government and its patriotism was shown by the fact that the entire \$1,000,000 new capital was invested in United States bonds, even though the war had not yet ended.

In 1864 came the first great fire that the Home has experience with, when Portland was nearly burned, involving a loss of \$100,000 to the Home, which in those days was an immense sum. In 1866 the fires at Glens Falls and Pittsburg involved a loss of \$150,000 for the Home. Still the company continued on its course until 1871, when the whole country was shocked by the great Chicago fire, which ruined so many insurance companies, with its losses involving \$30,000,000 of insurance, drawing from the Home insurance company over \$3,000,000, reduced a little by reinsurance. That required an assessment of 60 per cent, on the capital, and that \$1,500,000 was paid within two months, and the lines were paid without borrowing a dollar and without calling a mortgage. The Home resumed the payment of dividends in the next July. The business, owing to the wonderful promptness with which the Home met its obligations without the loss of a dollar, was very largely increased. Thirteen months after Chicago the solid city of Boston lay in ashes, and the Home was called upon for \$3,000,000. After this fire the Home passed two