

GENERAL BUSINESS AND INVESTMENTS OF U. S. COMPANIES.

We quote the following from the very able address delivered by John A. McCall, jun., Esq. Superintendent of the New York Insurance Department, at the National Convention of State Insurance officials, held at Chicago, Ill., on September 24th ult.

GENERAL BUSINESS.

Taking for comparison the statements of the 333 companies and associations reporting to the New York Department, December 31, 1883, we find \$11,639,004,845 risks in force, with \$685,253,394 of resources for their protection. The liabilities, except capital, are shown to be \$469,166,853; the paid in capital, \$69,938,360, and the surplus over all liabilities, \$146,148,181. The statements call for no special comment, except as to the continued heavy loss ratio of the fire companies and the fluctuations in values of investments of all companies. On the subject of the enormous values consumed by fire losses annually much has been written, but with apparently little result. There has been no lack of criticism or figures to prove the liability of the destruction of property by carelessness or worse, and yet the blind infatuation that possesses the competitors in the race for premium accumulation still continues. With each recurring year we read the moral resolves and the instructing statistics of the several conventions of officers and agents, and find each individual impressed with the necessity for higher rates, and full of schemes to reduce the loss ratio. Before and after the convention week, the industry and ability of agents are measured by their premium returns. To add to the difficulty is the increasing percentage of commissions, which is referred to in a very able paper read on the 10th inst., before the Underwriter's Association of the North west, by an eminent insurance journalist, as remarkable for its "persistent upward movement." Suppose that the policy claimant was made to share a portion of his loss, and that the agent's remuneration depended in part on the net results of his business, is there any one that doubts that many of the evils under the present system would cease to exist?

INVESTMENTS.

The matter of investments is one calling for our earnest consideration. It is probably of more importance when considered in connection with the life companies, but is not to be ignored as to the others. The increase of collateral loans from \$5,947,627.82 in 1874 to \$48,071,315.44 in 1883 is to be deprecated. The hazard of such investments, if they can be called investments, should be provided against either by limiting the total amount to be loaned, or requiring as collateral securities, with a valuation of at least fifty per cent above the loan. It may be argued that the investment laws are too restrictive and need amendment. It will not be denied, however, that there is danger to the public in the temptation to make collateral loans with large interest consideration, the payment of which depends more on the success of the note maker than on the value of his securities.

Standard Life Assurance Company v. Weems.—It is rather an awkward thing for heavy toppers, or rather their families, that the Standard Life Assurance Company have, in the final Court of Appeal, gained their case against the representatives of Mr. Weems, the Provost of Johnstone, in Scotland, who had insured his life with the company. When he died, the company, it appears, refused to pay the amount of the insurance, alleging that the insurer was of intemperate habits, but he had not disclosed the fact when effecting the assurance. The Scotch courts held that, even

if the deceased were guilty of excess now and again, there was no wilful untruth in the declaration on which the policy was issued. This was held to be a great triumph for steady toppers, of whom Scotland even yet contains a few, but their delight has been rather awkwardly cut short by the reversal of the Scotch decision by the House of Lords, which has laid down the law to be that if a man be given to excessive drinking, and does not disclose the fact when he insures his life, his family will not get the sum insured. Seven-tumbler men had therefore better look to it.—*Whitehall Review.*

Ontario Mutual Life Assurance Co.

"AS OTHERS SEE US."

If it be true that "self-praise is poor recommendation" (and who doubts it?) it follows that words of praise emanating from uninfluenced, independent, and different sources may be taken as fairly indicating our merits, such as they are; and in making the following quotations from Journals whose opinions are unpurchasable and, therefore, worthy of credence, we desire to give the public an opportunity of testing our claims upon its patronage from a newspaper point of view.

The "opinions of the press", on almost any subject, when not warped by political or sectarian prejudice, reflect with unerring exactitude the popular feeling; and thus the standing, trustworthiness, and popularity of a Company may be judged from the estimation in which it is held by "members of the fourth estate." We commend, therefore, the following extracts to the reader's thoughtful consideration:—

(From the *Waterloo Chronicle*.)

The business of the Ontario Mutual Life Assurance Co. is growing at a tremendous rate. The spacious office is getting filled up with a small army of clerks, all of whom are kept busy as nailers disposing of the rush of applications for insurances, remittances of premiums, applications for loans, letters asking for information as to rates and conditions of insurance and other incidentals of a large and rapidly expanding business. * * * * * With assurance at cost, equity between policyholders, and absolute security of investments, the Company's tremendous strides to the front rank among its fellows, are easily understood.

(From the *Galt Reporter*.)

The perusal of the report of the Annual Meeting of the members of this Company, which appears in another column, will give unmixed satisfaction to those insured in it in this locality. It shows progress, it shows liberality, and it shows stability and cheapness. The principles upon which it was founded are receiving their proof by its own showing. Nothing deceiving, with every point of its position given unaffectedly and plainly, every man, be he insured in the Company or not, who reads that report must become convinced that, as one of the competitors for the Life Assurance of this country, the Ontario stands higher, so far as practical results to its members are concerned, than any other Company. * * * * * It is well to insure in any other Company but it is also well, in insuring, to select the Company of stability, cheapness, and whose principles are that its profits would be shared in by themselves. These features are embodied in the Ontario Mutual, and for that reason we have every confidence in earnestly recommending it.

(From the *London Free Press*.)

We publish in to-day's issue an interesting report of the proceedings of the Ontario Mutual Life Assurance Company, which affords great encouragement to those who wish to avail themselves of the valuable facilities it affords. It is a carefully-managed institution, and exhibits a continually increasing financial strength which fully justifies the claims of the company to public confidence.

(From the *Hamilton Tribune*.)

The Mutual system of insurance in other and older countries than this has led to the establishment of the oldest and largest life insurance