will have on the market value of its debentures. Investors, as a rule, are not taking chances of that kind. If St. John's, as a corporation, had been liable for that fifteen million dollars of loss what would its bonds have been worth? The towns which are ambitious to play in the role of insurance companies had better look carefully before they leap.

Insurance "Written" versus Insurance in Force.

AN examination of the reports of the life insurance companies in the United States for 1892 reveals, as in former years, the very wide difference between the large volume of insurance written and the actual gain in insurance in force, owing largely to the bad practice of reporting all policies *written* instead of only those *issued* and paid for. The "not taken" policies amount to from 18 to 20 per cent. of the total new business as reported, and when the ordinary terminations by death, surrenders, lapses, etc., are added, the actual gain shows a wonderful collapse. According to the *Spectator's* figures for fifty companies, big and little, the average gain for 1892 was a little over 34 per cent. of the total amount written, and for the industrial companies about 36½ per cent. The fifty companies wrote $985,454,549 of new insurance (excluding industrial), the total terminations were $646,870,477, and the resultant gain $338,584,072. We would commend these results to the attention of the advocates of statutory limitation of the insurance in force to be allowed any company. A simple calculation will demonstrate that the addition to insurance in force in 1892 by the three giant companies combined shows an average of only 7.40 per cent. of the total in force at the beginning of the year, and that the percentage of increase was in an inverse ratio to the total holdings of these companies. That thousand million limit would not seem to be perilously near.

That Liverpool Mercantile Tariff.

A FEW weeks ago the *Policyholder*, and we believe some other insurance journals, printed the new mercantile fire insurance tariff adopted by the Fire Offices Committee for Liverpool, which struck us as a very natural and desirable thing to do, and precisely one of the things belonging to the province of insurance journalism. It now appears, however, that the said Committee were highly incensed at the proceeding, and undertook to bully the *Policyholder* into disclosing its source of information, which we need hardly say didn't work. It strikes us on this side of the water as highly amusing that a schedule of rates prepared for a city of 600,000 people like Liverpool should be considered as a secret. Possibly property owners in Liverpool are in the habit of paying premiums in a lump sum, without any curiosity to know the rate charged, but we rather think they are not "built that way;" in which case the secret would seem to be too diminutive for the naked eye. In this part of the world if schedules of rates are not printed as freely as other current information by the insurance press, it is only because the ready publicity given them by the representatives of the companies themselves make it seldom worth while, in view of more important matter awaiting publicity.

Large Areas and the Fire Hazard.

THE recent Boston fire has given new emphasis to the inquiry concerning large areas in buildings as affecting the fire hazard. Last year Boston's new building regulations limited the area within fire walls to 10,000 feet; but the Ames building, where the fire started, was erected before the advent of the new law, and had an area of 28,000 square feet divided in two sections by a brick wall, and was unquestionably well built. The movement now is to reduce the permissable area in all new buildings to 5,000 or 6,000 feet, the latter, according to the *Standard*, being the limit which the mayor of Boston has asked the legislature to fix. For a six-story building this would mean 1,000 square feet between fire walls for each floor, or a space say 20 by 50 feet. This would seem to be a very moderate area indeed, but where the dividing wall is, as usually is the case, punctured with two or three door openings, the area would practically be twice as large; for even though furnished with fire-clad doors, a fire breaking out in the daytime would, as was the case with the Ames building, be almost sure to find the doors open. Unquestionably the smaller the area exposed the easier to handle will be the fire; and if the recent conflagration experiences in Boston and elsewhere shall lead to reasonable limitations, some good may come out of calamity.

The Lloyds and their Privileges.

THE multiplication of associations of individual underwriters, after the Lloyds pattern, is becoming a feature of no little importance in American underwriting. Freed from all corporate responsibility, and exempt from the license fees, taxation and State supervision applying to insurance corporations, these aggregations of individuals enter the field in competition with the regular companies with a profit margin of at least five per cent. in their favor. In a word, these associations enjoy all the privileges of corporate bodies gratis, while almost entirely relieved of any of their responsibilities. The manifest injustice of permitting such a state of affairs has been recognized even by the average legislator, and in Michigan, Missouri, and we believe one or two other States, laws have been passed designed to extend to these Lloyds concerns the same restrictions and supervision applied to incorporated companies. We recently noted the result of a test case under the Michigan law, by which, in the judgment of the court, a loophole was discovered large enough to permit the escape of the offender, though some of the best jurists in the State freely criticize the decision. It is now stated that Insurance Superintendent Ellerbe of Missouri has brought a test case before the courts of that State, and the decision will be awaited with interest, for there the letter of the law seems to be free from ambiguity.