SUPT. PIERCE ON ENDOWMENT ASSESSMENT INSURANCE.

In my 1892 report to the legislature I referred particularly to Article VII. of our Insurance Law, relating to fraternal beneficiary societies, orders or associations, calling attention to the provision permitting these associations to make a "payment of money upon the expiration of a fixed period," without reference to death or disability. Reference was made to a resolution adopted by the committee on legislation appointed by the National Convention of Insurance Commissioners to the effect that these assessment endowment associations are founded upon a delusive and dangerous assumption, full of peril to the people.

In conclusion I stated: "I opposed to the best of my ability the adoption of this endowment provision in the present revision, but the legislature has seen fit, nevertheless, to countenance the transaction of this class of business within the State by the enacting of that portion of section 235 above referred to."

I have no intention to enter into a discussion or history of this pernicious, and what has invariably proven itself to be, dishonest system of insurance, when carried on by assessment associations. The history has been written much more elaborately and satisfactorily than I could possibly present it, by Commissioner Merrill, of Massachusetts. The Commonwealth of Massachusetts, notwithstanding the protests of the Insurance Department of that State, saw fit to recognize assessment endowment orders, and since 1887 the reports of that department have been teeming with valuable and exhaustive data and information regarding this class of associations. When they had already lost much of their prestige in that State, they, through their counsel, and particularly through the Iron Hall, represented by its organizer Somerby, knocked at the doors of this State, and were, by the legislature of 1892, recognized. This recognition has, fortunately for the people of this State, amounted to but little, for the reason that the story of their dishonesty, failure and utter irresponsibility in the State of Massachusetts is of so recent a date that their promoters have been unable to secure a foothold worth mentioning. Since the passage of Article VII. but one assessment endowment order has incorporated under its provisions, and not a single foreign order of this character has been licensed to transact business in this State.

I feel warranted and justified in asking that there be blotted from the statute books of this State, by proper amendments to our insurance law, any recognition of such irresponsible and dishonest concerns. Now is the time to make such change in our law before any injury is done our citizens, when your action can and will be sustained by honest public sentiment. In this connection it may be stated that the legitimate fraternal orders, classified with these gambling concerns by being subject to the same article of the insurance law, have, through their representatives in convention assembled, asked this department to assist them in being disassociated from this pernicious system of insurance.—*N.Y. Life Reports.*

A FIRE CHIEF'S SENSIBLE VIEWS.

The chief of the fire department in an important Canadian city writes to the *Monitor* as follows: "It strikes me that insurance companies are not over particular in accepting risks. They employ canvassers, and in many instances we are called on to attend fires in buildings over-insured.

"Further, the insurance companies should have some record of the character of persons insured previous to issuing policies. For instance: A man and wife arrived in this city three years ago. Went into business and insured stock. Two fires occurred on the premises. Held investigation. Verdict—cause unknown. Not satisfied, I hunted up their former home. Place, Halifax, Nova Scotia. They had two suspicious fires in that city.

"Another case: A man burned his store. Received $5,000 insurance, defrauded his creditors, and left the city. Will he start in business in another city, under an assumed name?

"My idea is: Before issuing a policy find the former residence of applicant. Write agent in city and learn the character of applicant.

"In order to put a stop to insurance fires something must be done. During seven years' experience as chief I cannot cite ten cases in this city where fires originated in buildings uninsured. Last Saturday two mysterious residence fires occurred; buildings and contents were insured to the highest notch. The co-insurance plan, and moral hazard, with the option of cancelling, with three days' notice, should be enforced.

"Should insurance companies find it injured their business to ascertain former residence of the party applying for insurance, it might be wise to issue the policy and write afterwards.

"Thorough inspection of insured buildings and contents should be made before issuing policy, and monthly inspections should be made in cities.

"Insurance companies should support, at least, one private detective in each city.

"Until men find that they will be out and injured when fires occur on their premises, the fire record will go up.

"Hard times, high insurance and lack of conscientious scruples, with little fear of detection, will be responsible for a great loss this year. I expect numerous fires in this city. Already we have lost, in frame residences alone, more than appears on my record in five years. Insurance companies should take warning. Give but one-half the value and allow the owners to carry the other half."

AN INTERESTING PRESENTATION.

Occasion was taken on the fortieth anniversary of the founding of the Montreal hardware firm of Crathern & Caverhill to present a portrait of himself and an illuminated address to Mr. James Crathern. The donors were employes of the firm. About thirty of them waited on Mr. Crathern at his residence on McGregor street for this purpose. Mr. Thomas Patton read the following address:—

To James Crathern, Esq.:

We, the undersigned, the present and a few of the past employes of the firm of Messrs. Crathern & Caverhill, unite in a desire to commemorate this the 40th anniversary of the firm's existence, and it affords us pleasure on this occasion to allude to the success which has attended the business since its establishment in 1854, until to-day it occupies its present prominent position in the metal and hardware trade of the Dominion. We also take this opportunity to record the many valuable traits of character you possess—your industry, thrift and integrity—which qualities have largely contributed to the successful career of the firm.

To mark the event, we beg to ask your acceptance of the accompanying portrait of yourself, trusting it will express our esteem for you, and at the same time convey our regard for the past harmonious relations which have existed between us.

Signed—Thomas Patton, Joseph B. Learmont, Frank Caverhill, George Caverhill, Thomas H. Newman, David Lewis, jr., Chas. E. T. Woodley, William J. Learmont, Alexander Gibb, Charles E. Hand, John C. Crathern, Fred. A. Crathern, George Gouldthorpe, and some thirty others.

Mr. Crathern in his reply said: "On looking over the names attached to the address, I find a large proportion in numbers have been connected with the business for an unusual long period of time; some of the signers date back forty years ago, when the business was first established, and the connection of many others extends from ten to thirty years. This fact I regard as gratifying evidence of mutual respect and esteem and hearty loyalty on your part to interests of the business with whose success you have been identified, and to which you have alluded in such kindly terms. Dealing with the present and alluding to the past leads me to refer to the names of two of the original founders of the business, Messrs. John and Thomas Caverhill. Both I regret to say have passed away, but on this occasion I desire to express my most sincere respect and esteem to the memory of these two gentlemen, who were not only business partners, but to me most sincere and kind friends. It affords me great pleasure to accept the portrait and address; in doing so I sincerely and heartily thank each and all for your great kindness; allow me at the same time to express my best wishes for your individual happiness and success. As a slight mark of my appreciation of your thoughtfulness, and as a souvenir of what to me is a very pleasant occasion, I ask each of you to accept of a framed photo of the portrait, and with it my hearty and sincere thanks for all your kindness."

The portrait is an oil painting by Robert Harris, R.C.A., and is regarded as an excellent likeness of one of the most esteemed, as he is one of the ablest and most successful of Montreal merchants.

THE WINE INDUSTRY.

The Pacific coast wine crop of 1893 is nearly all in the hands of producers, and buyers are expecting to obtain supplies at 5 or 6 cents per gallon, according to the statements of a correspondent, who furnishes the following information:

There were shipped out of California in 1893 no less than 12,500,000 gallons of wine, 500,000 of which was exported to foreign countries, leaving only 12,000,000 of gallons for all the 60,000,000 people, say one gallon for every family east of the Rocky Mountains. It is generally conceded by the best authorities that 8,000,000 gallons of wine are consumed in the Pacific Coast States and Territories. I have already accounted for over 20,000,000 gallons, shipped and consumed. The bears of the market will claim that the bulk of the Eastern shipments are still in their branch houses in New York. In answer I will say that there was shipped to New York in 1893, according to statistics, 3,134,969 gallons. How much of this has been already consumed I have no means of knowing, but according to a fixed law of nature about 75,000 gallons have evaporated. Now, take into consideration 793,587 gallons of brandy shipped out of California during the year 1893, and as each gallon of proof brandy represents five gallons of wine, we find that the shipments of wine, or its equal in brandy, together with home consumption, are over 24,000,000 gallons.

The years 1892 and 1891 only fall a little more than a million short of the above. I have yet to hear any one claim that California produced over 25,000,000 gallons last season, which was by far the largest vintage California ever produced. Now, according to the above showing, which I can prove by published statistics, there is no over-production of wine in California. There is not less than $50,000,000 invested in California in the wine industry, a large percentage of which belongs to the growers and producers. Now the interest on this at 5 per cent. per annum is $250,000. The dealers who control the industry do not own 5 per cent. of the capital invested. They propose to buy 1893 wines at 5 or 6 cents per gallon, or 2½ per cent. of the whole $50,000,000 invested, leaving nothing for cost of producing. Think of it—$50,000,000 invested! Twenty-five million gallons of wine at 5 cents per gallon is $1,250,000, and nothing left for labor or expenses.—*N. Y. Shipping and Commercial List.*

ALUMINUM IN BICYCLES.

The long looked for application of aluminum in bicycle-making is now an assured fact. Its deadness or lack of flexibility, and its fibrile weakness are said to be overcome, and now the desired qualities will be added to lightness, and bicycles will be light, strong and cheap.

A St. Louis manufacturing concern holds a patent on a new process of aluminum, making it possible, it is said, to give from two to three times the strength, weight for weight, to be found in the common steel bicycle frame. N. V. Van Sicklen, of Chicago, recently attended an experimental test at Washington University, St. Louis, in which is a beam-testing machine. At 500 lbs. pressure, the permanent deflection amounted to only 3-1,000 of an inch, and at 1,000 only 14-1,000 of an inch. It required 2.375 pounds to break the bicycle frame. It is deemed practicable to cast the bicycle frame in one piece, brazings in aluminum being considered an impossibility.—*Dun's Bulletin.*

—There is no new feature in the steel trade. The rail mills are almost entirely idle, says the *Iron Trades Journal.* It has lately been demonstrated that the life of a steel rail is about 100 years, and if this is so the rail-makers have nothing to hope for in orders for renewals. The makers of plates, angles, etc., in the North of England and Scotland are well employed, and are assured of full work for many months to come.