

Correspondence.

We do not hold ourselves responsible for views expressed by Correspondents

To the Editor of THE CHRONICLE:—

Sir:—The communication of Mr. Walter Kavanagh anent rebating, which appeared in last week's issue, is certainly to the point, and, perhaps, deserves the serious consideration of the Life Assurance Managers. Why, he pertinently asks, *in the absence of an agreement to the contrary*, should the Agent who divides his commission with the Assured be characterized as a criminal, and the act declared a "gross iniquity," but Mr. Kavanagh is not, impliedly, prepared to defend so vigorously this practice in the Fire Insurance business, for rules forbidding the division of commission with the Assured directly or indirectly are many and binding in the Association of which the Offices he has the honor to represent are members. His views, therefore, in this connection, would be of interest, and any suggestions he has to make for some effective and "practical plan of improvement," now so sadly needed, it is said, in the fire business, would, I am sure, be hailed with delight by his suffering confrères—in the West.

GREAT SCOT!!

Toronto, 20th February, 1899.

LONDON LETTER.

8th February, 1899.

FINANCIAL.

Of all the markets on the London Stock Exchange that are busy, the "Kaffir Circus" is the busiest. The further reduction in the Bank Rate is responsible for an all-round expansion of business, but, in Rand mines and the other securities that are bartered in the "Circus," the shouting begins early, and ends late. "Chartered" shares are still a drug, not even going at a lock-up price.

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Another news item in reference to that most unlucky fluid-beef adventure, "Vimbos," comes to hand. The right to manufacture and sell "Vimbos" in France and Belgium was obtained by a limited liability company called the "Vimbos Franco-Belge." The company came to grief very soon, and spluttered out in a very suspicious fashion, pre-deceasing the parent company by only a few months. The promoters of the Vimbos Franco-Belge enterprise, a man named Ledoux, has just got five years for an advertising swindle. Bovril has bought up all that remains of Vimbos in the way of trade-mark, etc., and thus, on a sort of dramatic success to virtue, and a confounding of villany, the curtain falls.

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The boom in the Yankee markets is taking many investors off their heads, but those who recollect some previous gyrations of this section are not quite so eager. Prior to the Venezuela difficulty, there was just such another rush-up of prices, and then came that boundary menace with a drop in prices down to almost nothing for a while. A gamble in Americans might produce a fortune just now, or it might do the other thing. It wants very careful negotiation.

There has not been the brilliant business in new company flotation that was expected of January. Thirty-three companies, for sixty-six million dollars, issued in that month, is a smaller record than that of December, when forty-one companies, with a total capitalization of seventy-eight million dollars, came out. The chief heading which accounts for the decline is "Miscellaneous and Industrial," and this is, notwithstanding the assistance given to that department by the flotation of the Borax Consolidation with its capital of nearly twelve and a half millions.

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An attempt to take advantage of the revival in the Irish whisky trade is being made by a number of Belfast firms, and several little limited liability flotations are hailing from that city. They are all without exception things to be avoided. Accountants' certificates of the old and bad sort accompany the prospectuses, certificates that say a lot without really telling the recipient anything.

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All the London banks have done well for the past half-year, but one of the most fortunate has been Martin's Bank. It can increase its dividend to 7 per cent., the biggest paid since June, 1892. The net profit for the half year just closed is \$140,000 as against \$95,000 for the six months ending Dec., 1897.

INSURANCE.

The Law Accident Insurance Company, an office with a capital of \$2,500,000 established in 1892, has formally withdrawn from the Tariff Committee that was formed to support a safe rating for Workmen's Compensation business. That these rates were somewhat too high is now becoming evident. The operation of the Act does not include such a mass of industrial accidents as was supposed, and the continuous litigation that goes on from week to week in one part of the country or another makes this clearer and clearer.

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There is, though, at the same time an agitation going on amongst trade-unionists and others to have the Act so amended that it will include a huge number of accidents not now available for compensation, and, should there be by any chance an amendment of this kind, all but these tariff rates will be inadequate.

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No one will blame the offices that resolutely set their faces against cutting rates for being on the safe side, and charging prices that would cover any accident that might occur. Many of those offices that shaved rates can only make things go at all by vigilantly contesting every claim to the employers' disgust and the ruin of the company's reputation.

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The secession of the Law Accident may mean that the higher ratings will now be generally lowered, and this is by this time advisable. The risk is narrower than was supposed, and a gradual contraction of premium should follow.

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The Royal Exchange have a new policy out covering accidents and disease. For an annual \$25, the best class of lives obtain a payment of \$10,000 at death or total disablement by a railway accident, and other graduated benefits, according to the place and nature of the injury.