

bility for unearned premiums and crude losses on policies in force cannot be less than has been shown to be the liability in case of liquidation or 75 p.c. of the premiums on policies in force. It has been contended that practically 75 p.c. of the premiums on policies in force will not be required for the payment of losses on such policies. But it must be remembered that, while the company has a liability of 75 p.c. of the gross premiums on policies in force, such liability is composed of two parts:—(1) The unearned premiums as computed by statute, which requires companies to at all times have on hand 100 p.c. of the unearned premiums on outstanding policies which amounts to practically 50 p.c. of the gross premiums and (2) an amount sufficient to meet accrued losses on such policies estimated at 50 p.c. of the earned premiums on such policies or 25 p.c. of the gross premiums. In short, the examiners conclude, proper supervision requires that in dealing with credit insurance companies the second of these elements must be taken note of, and that, from the very nature of the business, one element bears no relation to the other.

METROPOLITAN LIFE INSURANCE COMPANY OF NEW YORK.

Messrs. Haley Fiske, Augustus S. Knight, F. F. Taylor, W. G. Tully, Colonel John Tilton, Messrs. James E. Kavanagh and A. G. B. Claxton, have been holding the 17th Dominion Conventions of the Metropolitan Life Insurance Company. Not less than eight hundred agents were assembled, the Maritime men going to Halifax, the Quebec district men to Quebec, the Montreal district men to Montreal, the Ontario Province men to Toronto and the Western men to Winnipeg. Last year the Metropolitan wrote \$23,000,000 in Canada and up to date, the last year's ordinary record has been surpassed by nearly fifty per cent. increase. The field force at all these meetings were tremendously enthusiastic and listened to Mr. Haley Fiske's instructive discourse of the principles of Metropolitan life insurance with great attention. A new feature was the gathering together at each convention of the various medical examiners under the supervision of Dr. Augustus S. Knight. Senator William G. Tully, the recently appointed Solicitor General of the company, is a strong addition to the Metropolitan's already powerful executive staff. The Metropolitan Life Insurance Company's Canadian counsel, Mr. A. G. B. Claxton, K.C., accompanied the Officers at these conventions.

The company has inaugurated a nursing system in all the big cities in the States and in Montreal, and is erecting at Saratoga the first of a series of sanatoria wherein to care for its sick policyholders. The Metropolitan has over 114,000 policyholders in Montreal and over 400,000 in Canada and last year wrote nearly \$9,000,000 of ordinary insurance in Canada. The Metropolitan's operations are on a very large scale, and the conventions just held should be of great benefit to the company.

Notes on Business, Insurance and Finance.

Bank of England Rate.

The Bank of England directors yesterday raised their official rate of discount from 3 per cent. to 4 per cent. (The 3 per cent. rate had been in force since June 10 last. The move this week had been generally anticipated on this side, though opinion inclined to a half-point rise instead of the whole point which was eventually taken. But the London market rate this week got one-quarter of one per cent. above the 3 per cent. official rate, and in view both of the heavy demands in London, in connection with the Stock Exchange settlement, and of the fact that earlier in the week, the Imperial Bank of Germany raised its rate from 4 per cent. to 5 per cent., besides prospective foreign demands for gold, there is, no doubt, that the rise of one per cent. was justified. The directors, doubtless, are anxious by timely action to avoid a recurrence of the extraordinary sequence of changes, which took place last October. The Bank Reserve was then down to £23,265,800, a proportion of 45.2 p. c., when, on October 8, the rate was raised from 2 1-2 to 3 per cent. On the 15th, with a ratio of only 44 p.c., the rate was raised to 4 per cent., and on the 22nd, to 5 per cent., so that the rate was actually doubled in 15 days. Heavy gold exports were the reason for this drastic action. Simultaneously the Montreal rate for money was advanced from 4 to 4 1-2 per cent., and at the beginning of November, a 5 per cent. rate was uniformly in force here. The present change is unlikely to have any effect upon the existing Montreal rate.

New Canadian Issues.

In the matter of Canadian new issues, September has been an extremely quiet month. For the first time this year, and since September of 1909, there has been no public issue of a Canadian security in London within the month, so that the aggregate of capital raised on behalf of Canada and Newfoundland in the London market during the current year (9 months) remains at the end of August figure of £30,366,210 (\$151,831,050). The monthly totals, as shown by the carefully kept record of THE CHRONICLE are as follows:—

January	£5,718,289	June	£1,518,008
February	2,518,306	July	4,817,730
March	1,807,428	August	95,546
April	4,970,667	September	Nil
May	8,920,236	Total for 9 mos 30,366,210	

The market for new issues in London continues remarkably quiet and advices show that a considerable quantity of the securities issued there during the first half of this year, when as will be in recollection, the output of new securities attained hitherto unheard of proportions, still remain "undigested" and that a recrudescence of activity in this direction is unlikely in the near future. So far as Canadian issues in London are concerned, no new ones are in sight, although it is anticipated that several municipalities will be borrowing there when opportunity offers, and it may be that there will be some applications to London in connection with the various merger schemes now under way.