

Insurance and Finance CHRONICLE.

OFFICE:
1724 Notre Dame Street.

MONTREAL, JULY 1, 1893

SUBSCRIPTION:
\$2.00 per ANNUM

THE Insurance and Finance Chronicle.

Published on the 1st and 15th of each month.

AT 1724 NOTRE DAME ST., MONTREAL.

R. WILSON SMITH, Editor and Proprietor.

Annual Subscription (in Advance) \$2.00
Prices for Advertisements on application

All Communications intended for THE CHRONICLE must be in hand not later than the 10th and 25th of the month to secure insertion.

Illinois
Insurance
Department.

THE *Spectator* states that the Illinois Legislature has passed a Bill creating an Insurance Department to take the work of supervising insurance matters out of the hands of the State Auditor. There is to be a superintendent at a salary of \$5000 a year, and a deputy at \$3000. with such clerical force as may be needful. It is rather remarkable that Illinois has so long deferred taking a step of this kind, as such work should be done by one making that his exclusive business, and there must be an abundance of expert work requiring attention in carrying out the existing insurance laws in that State.

American
Insurance
Legislation.

A LETTER appears in *Table Talk* published in Melbourne, from Richard Teece, the General Manager and Actuary of the Australian Mutual Provident Association, in which he considers that as measures of protection, the insurance laws of the United States have proven dismal failures. Since their enactment, about 150 Life companies and 400 Fire and Marine companies have disappeared into bankruptcy; and in 1876 and 1878 respectively, two large American Life offices, namely, The Continental and the Life Association of America, went into the hands of receivers immediately after receiving certificates of solvency from the Insurance Superintendents. He considers that the best life insurance act in existence is that of Western Australia, with that of South Australia coming next. It is based on the principle of requiring from all companies the fullest publicity regarding their operations, trusting for the exposure of weakness to the criticism of a fearless and independent press.

Fires
and
Failures.

IN the financial column of our last issue we commented upon the enormous shrinkage in values of securities in the New York stock market, as pointed out by the memorable compilation of the *New York Herald*. We indicated that such a shrinkage in values was liable to affect the assets of some of the large insurance companies in the United States, whose funds are so extensively invested in that class of securities. The *Journal of Commerce and Commercial Bulletin* thinks that the signs of the times warn merchants to give the question of company more consideration than that of rate in effecting their insurance. Not only are the monetary complications throughout the neighboring country liable to be a source of danger to the strength of their Insurance companies, but the same financial causes are apt to affect the fire losses of the companies by reason of the fact that it may be safe to ascribe a fair proportion of the enormous fire waste of recent months to financial embarrassments being provocative of attempts to defraud fire underwriters. Experience has shown that men of high standing in their communities have sometimes yielded to the temptation to apply the match when urged by press of circumstances. It is to be feared that the semi-annual statements of fire insurance companies will make a very bad showing, and there will be reductions in surplus, and an exhibit of considerable suffering from the combination of heavy fire losses and diminished security values.

Stand from
Under.

Thomas Carlisle once quoted the entire population of England as being so many millions, "mostly fools." It is extraordinary how many persons seem to believe that theory in their business, and treat the public generally as readily gullible subjects, trusting that they will have made their little pile before the crookedness of their projects be discovered. Something of this sort is apparent in a circular issued under date 20th ult., signed by one H. Weatherspon, as general manager for Canada, purporting to have opened an office at Toronto for the "British Burglary Guarantee Co." of London, England, with an alleged capital of £1,000,000. It professes to do a business of guaranteeing against losses by burglary of merchandise and valuables,