

The Chronicle

Insurance & Finance.

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Insurance Business In Mexico.

The very large investments of Canadian money in Mexican enterprises give interesting returns respecting insurance business transacted in that country, which are reported in the "Insurance Progress" of the companies also operating in Canada. The money is Mexican silver, which is worth out one half the same denomination of Canadian...

Company.	Premiums in 1903. \$	Company.	Premiums 1903. \$
Life.		Fire.	
Mutual of N. Y.....	15,171,753	Law Union & C.	21,475
Equitable.....	4,500,463	L. & L. & C.	671,390
Confederation.....	25,334	Lancashire	81,435
Sun, Canada.....	3,828	Manchester	913,686
N. Y. Life.....	3,859,726	North British	1,570,264
Fire.		Northern	264,555
Union.....	210,451	Norwich Union	424,123
London & L'shire..	683,400	Phoenix	738,505
Royal.....	707,650	Sun	796,414
Home.....	174,119	Royal Exchange	159,662
	Miscel's.		
Travellers'.....	456,320	Com'l Union	554,941

There are climatic, financial, social, political conditions in Mexico wholly different to any existing in Canada. The bearing of these on insurance needs careful study and long observation to enable such regulations to be adopted as are necessary to render the business profitable and safe.

Another Spanish-American Defaulter.

The bond obligations of Costa Rica are in process of a similar course of treatment as are some others of the Spanish-American group. The idea seems generally to prevail amongst these communities that debts are only to be paid in full when no other course is open, but some way of avoiding that course is desirable.

In 1885 a large section of the 6 and 7 per cent. bonds of Costa Rica issued in 1871 and 1872 were

reduced by 50 per cent. and exchanged for new bonds at 5 and 4 per cent. The arrangement was, that in case of default the original terms of the 1871 and 1872 bonds were to be enforced. Up to July, 1894, the lower interest was paid, the old bonds were then returned and default was instantly made. In 1897 another arrangement was made by which the interest on the bonds was reduced from 5 to 3 and 5 to 2½ per cent. In 1901 default again occurred. A new arrangement has been arrived at under which arrears are to be paid in cash and the loan secured by a first charge on the Customs, which, if inadequate, is to be supplemented from the revenue derived from the liquor trade. "It is also provided that the holders of the refunding bonds shall be entitled to apply to the United States for protection against any violation of and for aid in the enforcement of the agreement." But this appeal may be ignored, as it is not backed by any definite promise. Owen Glendower says, "I can call spirits from the vasty deep," to which Hotspur replies, "Why, so can I, or so can any man; but will they come when you do call them?" We share Hotspur's scepticism, as we regard the appeal to the United States as very likely to be as effective as the Welshman's swagger about his power over spirits in the vasty deep.

In the face of such numerous instances of defaulting by Spanish-American authorities, it is really amazing that investors are so reckless as to put their money in securities by those southern communities.

NEEDLESS HASTE.—It is announced that a number of agents of the Equitable Life in the western States have transferred their services to another company. These persons may be credited with knowing their own business better than an outsider, but we may be allowed to doubt their wisdom. The Equitable will come out of the present trouble with its prestige undiminished, as one of the strongest life insurance organizations in the world.