

THE CANADIAN MONETARY TIMES

AND INSURANCE CHRONICLE.

DEVOTED TO FINANCE, COMMERCE, INSURANCE, BANKS, RAILWAYS, NAVIGATION, MINES, INVESTMENT,
PUBLIC COMPANIES, AND JOINT STOCK ENTERPRISE.

VOL. II—NO. 37.

TORONTO, THURSDAY, APRIL 29, 1869

SUBSCRIPTION \$2 A YEAR.

Mercantile.

Gundry and Langley.

ARCHITECTS AND CIVIL ENGINEERS, Building Surveyors and Valuers. Office corner of King and Jordan Streets, Toronto.
THOMAS GUNDRY. HENRY LANGLEY.

J. B. Boustead.

PROVISION and Commission Merchant. Hops bought and sold on Commission. 82 Front St., Toronto.

John Boyd & Co.

WHOLESALE Grocers and Commission Merchants, Front St., Toronto.

Childs & Hamilton.

MANUFACTURERS and Wholesale Dealers in Boots and Shoes, No. 7 Wellington Street East, Toronto, Ontario. 28

L. Coffee & Co.

PRODUCE and Commission Merchants, No. 2 Manning's Block, Front St., Toronto, Ont. Advances made on consignments of Produce.

Honore Plamondon.

CUSTOM House Broker, Forwarder, and General Agent, Quebec. Office—Custom House Building. 17-1y

Sylvester, Bro. & Hickman,

COMMERCIAL Brokers and Vessel Agents. Office—No. 1 Ontario Chambers, (Corner Front and Church Sts., Toronto 2-6m

John Fiskin & Co.

ROCK OIL and Commission Merchants, Yonge St., Toronto, Ont.

W. & R. Griffith.

IMPORTERS of Teas, Wines, etc. Ontario Chambers, cor. Church and Front Sts., Toronto.

H. Nerlich & Co.,

IMPORTERS of French, German, English and American Fancy Goods, Cigars, and Leaf Tobaccos, No. 2 Adelaide Street, West, Toronto. 15

Candee & Co.,

BANKERS AND BROKERS, dealers in Gold and Silver Coin, Government Securities, &c., Corner Main and Exchange Streets, Buffalo, Y. N. 21-1v

Lyman & McNab.

WHOLESALE Hardware Merchants, Toronto, Ontario.

W. D. Matthews & Co.

PRODUCE Commission Merchants, Old Corn Exchange, 16 Front St. East, Toronto Ont.

R. C. Hamilton & Co.

PRODUCE Commission Merchants, 119 Lower Water St., Halifax, Nova Scotia.

Parson Bros.,

PETROLEUM Refiners, and Wholesale dealers in Lamps, Chimneys, etc. Waterrooms 51 Front St. Refinery cor. River and Don Sts., Toronto.

C. P. Reid & Co.

IMPORTERS and Dealers in Wines, Liquors, Cigars and Leaf Tobacco, Wellington Street, Toronto. 28.

W. Rowland & Co.,

PRODUCE BROKERS and General Commission Merchants, Advances made on Consignments. Corner Church and Front Streets, Toronto.

Reford & Dillon.

IMPORTERS of Groceries, Wellington Street, Toronto, Ontario.

Sessions, Turner & Cooper.

MANUFACTURERS, Importers and Wholesale Dealer in Boots and Shoes, Leather Findings, etc., 8 Wellington St. West, Toronto, Ont

Insurance.

INSURANCE MATTERS IN NEW YORK.

(From our own Correspondent.)

NEW YORK, April 26th, 1869.

The deliberations of the National Board of Fire Underwriters, held in this city on Wednesday, Thursday and Friday, of the past week, were distinguished not only for ability in debate, and a harmonious and urbane spirit, but for final and decisive action on several subjects that had long agitated the profession, and in regard to which, no practical action had been deemed possible. If, as thus far done, a large majority of the respectable companies shall continue to sustain the Board, its resolves will gradually assume the character and weight of decrees, and companies will be unwilling to incur the odium of defection from, or opposition to, the deliberations of a body that can never have any motive for action which shall not, in its deliberate judgment, be for the best good of the profession at large.

The real practical work of the session was in the discussion and final adoption of a series of resolutions, submitted by Mr. E. W. Crowell, Chairman of the Committee on Local Boards, Rates, and Commissions, and Resident Director here, of the Imperial of London. The debate on the vexed question of brokerage, rebate and commissions showed, that a large majority of the Board were of the opinion that the business pays too high a rate, not only as compared with other kinds of business, but that the rate is entirely out of proportion to the profits of insurance capital. After a protracted and animated discussion, the basis of calculating commissions was changed from gross to net, by the adoption of the following resolution:—

"Whereas The present mode of calculating commissions (whereby a stated percentage is allowed upon premiums received, regardless of agency expenses) is a serious error, and one demanding immediate reform, be it

Resolved, That from and after May 1, 1869, all companies connected with the National Board of Fire Underwriters hereby pledge themselves that the rate of commissions which they allow to agents shall be calculated only upon the net premiums due after deducting taxes, licenses, advertising, and all other agency expenses, except in cases where only ten per cent. commission is paid."

Henceforth, agents will be paid on the amount of benefit conferred on the companies. There are some six thousand agents representing American companies. They are not always conscientiously considerate of their companies' interests. They get their gross earnings in, and don't care for the year's results. In too many instances excessive commissions is a temptation for over-insurance, to which agents are parties. They allow States and cities to pile discriminating taxation upon the companies, when their united opposition would doubtless do much towards preventing it. With the net idea before them, they will doubtless be more careful and energetic. The remaining resolutions adopted, with amendments, were as follows:

"Whereas, There appears to be a misunderstanding among many companies as to their duties

as members of the National Board of Fire Underwriters, and, as it is essential to the welfare of the organization that there should be plain and explicit rules applying to all; therefore, be it

"Resolved, That wherever local Boards exist, it is the duty of all companies, members of the National Board, to instruct their agents to join the same; and where no Board exists, it is their duty, when called upon, to instruct their agents to co-operate with other agents in effecting such organization; and where existing local Boards decline to admit representatives of outside companies, that such companies organize Boards for themselves, and establish correspondence with the National Board.

"Resolved, That it is the first essential to membership in this Board that tariff rates should be maintained, and no company is justified under any circumstances in taking a risk, or in allowing one to be taken by an agent, at less than tariff figures.

"Resolved, That from and after this date, the Chicago compact shall be a rule of this Board, and all companies members thereof shall be governed by its provisions and penalties.

"Resolved, that it is inconsistent with the interests of this Board that any company be recognized as a member thereof that declines to cancel or collect full rates on every policy written under the tariff figures; or that allows an agent to remain out of a local Board where one exists in his locality; or that allows him to retain companies not belonging to this Board for which he violates the tariff.

"Resolved, That it is incumbent upon the Chairman of the Committee on Local Boards, Rates and Commissions to report, either to the Executive Committee or the National Board, the names of such companies, members of this Board, that decline to comply with the above rules and regulations, with the circumstances connected therewith, and upon due conviction the Executive Committee or the National Board, as the case may be, shall expel such company, and notice with the cause for such action shall be sent to every company belonging to this Board."

It will be seen from the tenor of these resolutions that the machinery of local Boards, accepting and enforcing the rates established by the National Board, through its Rating Committees, is deemed of vital importance.

Much of the Convention's time (part of the second and all of the third day) was consumed in the consideration of some plan to increase its power and inefficiency. Its means of action have been, as experience since its organization in July, 1866, shows, too much diffused. It meets annually, and its large Executive Committee quarterly. But the action of the Executive Committee is not deemed final, and not sufficiently respected by companies that, while finding it a matter of character to belong to the Board, yet act in bad faith towards it, by winking at the irregularities of their agents. Besides, the difficulties and complaints constantly springing up in every section of the country between agents and local Boards, with respect to rates, have not been treated summarily enough.

The radical idea of the Convention for a remedy was embodied in a report by the Committee on Local Boards and Rates: An Executive Manager,