

London Guarantee & Accident Co. Ltd. New Appointment

Hedley C. Wright has resigned his appointment as Assistant Manager and Secretary of The General Accident Assurance Co. of Canada, to assist the General Manager for Canada of the London Guarantee and Accident Co. Ltd. Mr. Wright was with the "General Accident" for the past two and a half years previous to which he held various positions in London, England, Toronto, Halifax and Calgary with the "London Guarantee" to whom he has now returned.

DEATH OF MR. G. S. MINTY

The death occurred on the 7th instant of Mr. G. S. Minty, superintendent of the Union Insurance Society of Canton, Toronto. Mr. Minty was in Montreal a few days previous to his death, and attended the meeting of the Canadian Fire Underwriters' Association, on which occasion he also visited The Chronicle office. Mr. Minty was associated with the Union of Canton since it entered Canada and was greatly esteemed by the management, and a large circle of friends. His health had been the cause of much anxiety to his friends for some time.

NEW YORK STOCK BROKERS ORGANIZE OWN SURETY CO.

The Association of Stock Exchange Firms of New York has announced its intention to organize a surety company of its own for the purpose of writing blanket bonds for member brokers, safeguarding them against loss through theft of securities. This company, which will be incorporated in a few days, will have a capital of \$300,000 and a surplus of the same amount. The original intention of the association was to start with a larger capital and surplus to permit the writing of bonds of \$100,000, but the smaller capital was decided upon so that the company might begin operations immediately, with the understanding that the capital would probably shortly be increased.

In its statement issued last week, the association declared that it had long tried to avoid the organization of the company, realizing the trouble and responsibility which its management will entail upon those willing to undertake it, but that "in view of the constantly rising rates being charged by fidelity companies, with the constantly diminishing protection furnished, no other course seems to be left open."

The American company has announced that it will not continue to assume liability for losses due to mysterious, unexplained disappearance of securities, nor for trading losses, by which is meant

losses occasioned by employees who use the office machinery of their employers to conduct speculative accounts for themselves, usually in fictitious names.

"It is our confident belief," the American Surety remarks in its announcement, "that trading losses of this character and losses due to mysterious disappearance are uninsurable hazards at any obtainable premium, and that brokers can only safeguard themselves against such losses by vigilance and the adoption of sound office methods. Our new bond will afford brokers abundant protection against losses by theft of every kind and will be written by us at a greatly reduced premium rate."

Losses Due to Brokers' Laxity.

Vice-President Joel Rathbone of the National Surety said last week that more than 45 per cent. of the losses have been "losses of securities in transit"—these defections by messengers and others having been the largest single item of loss. Another important element, according to Mr. Rathbone, has been unauthorized trading in fictitious accounts by employees in their own offices. "That probably is a hazard that is going to be scrutinized very carefully by surety companies in the future," he said. "I know of one case of a clerk in a broker's office who induced his brother-in-law to open what was a legitimate account. The margin clerk did not report losses in the account to the supervising partner, and by the time the auditor got there there was a loss of \$100,000."

"Surety companies are beginning to think that losses of that sort do not constitute an insurable hazard, that they are rather a question of office management, bookkeeping, auditing and the like, which ought to be controlled by the office system. Losses of that sort grow so rapidly, particularly in a falling market, that we feel it devolves upon the offices themselves to prevent them."

TRAFFIC RETURNS

Canadian Pacific Railway

Year to date	1918	1919	1920	Increase
April 30..	\$45,161,000	\$48,570,000	\$57,972,000	\$9,402,000
Week ending	1918	1919	1920	Increase
May 7 ..	\$3,033,000	\$2,856,000	\$3,520,000	\$664,000

Grand Trunk Railway

Year to date	1918	1919	1920	Increase
April 30..	\$19,002,937	\$19,361,387	\$20,949,326	\$1,587,939
Week ending	1918	1919	1920	Increase
May 7 ..	\$1,334,727			

Canadian National Railways

Year to date	1918	1919	1920	Increase
April 30..		\$27,159,550	\$29,492,425	\$2,332,875
Week ending	1918	1919	1920	Increase
May 7 ..		\$1,664,679	\$1,806,301	\$231,622