

ing to the existing demoralization by their countenance and support. To such an extent have commissions been paid and this demoralization been carried that the income of some of the leading brokers of our cities not unfrequently exceeds the net profits of the companies they deal with; And the witty reply of an insurance man, at a meeting held recently in our city to a question as to what answer should be given to an agent who held out for 40 per cent. commission that "I should simply write him to say that he could have all the premium if he would let the company have the commission, and he pay the expenses of the business," is not so much of a joke as at first glance it might appear.

The insurance broker, as recognized with us, is an anomaly in commercial transactions; he differs from, and is bitterly antagonistic to, the legitimate insurance agent. The latter is a regularly enlisted soldier of the offices, and works solely for his principals; the former is a veritable *routier* or free-lance, with neither principal nor principle; he fights unscrupulously on either or both sides wherever the *spolia opima* may seem most tempting; all is game that comes to his net, regardless of consequences to others, provided only that he fail not to gather in his commission; and, strange fatuity, his strongest abettors and most efficient allies, who furnish subsistence and means for carrying on his onslaught, are the very companies whose agents he is sacrificing and whose business he is destroying.

The insurance broker of to-day—in this country at least—is an anomaly in the business; he is a self-constituted agent, with no fixed status in our Courts, by which he is sometimes held as the agent of the insured and at others of the insurer; in which latter case he not unfrequently pockets the premium;—with no stock-in-trade of his own, but operates at the risk of and upon the capital of those companies that will trust him; and, with occasional marked exceptions, with no responsibility, pecuniary or otherwise, and without the investment of a dollar in the business or the risk of any pecuniary liability, he makes a clean profit of from 15 to 40 per cent. out of the companies with which he operates.

This is no exaggerated statement, but well-known facts; and just so long as the companies will continue to furnish capital, pay losses, taxes and expenses, and let the broker sap what remains of their means to the tune of 25 to 40 per cent. commissions, so long will the present demoralization continue and increase; and all mere talking about it, without bona fide attempts to stop it, will be but a waste of breath, better saved to cool fingers in the presence of burning risks.

The commissions paid for business are *supposed* to be included in the rate paid by the insured; if the merchant prefer to employ an intermediary to transact his business, he has the right to do so, but then let him pay this intermediary, and not call upon the company to do so; but until this is done, and the companies ignore the broker, by refusing to pay commission, we can hope for no change for the better.

The Insurance Society is one of the best managed and most readable insurance journals published in America, and is always a welcome visitor to our sanctum. For terseness and sharp editorials its columns are noted. We would advise all insurance men, who desire to be up to the times

to have it always within easy reach.—*The Underwriter*, Fredericton, N.B.

A FEW STANDARD JOKES.

—Magnificent and extensive as the view is from that immense altitude the top of the Standard Pyramid, it is yet impossible to descry from thence the coat tails of its departed President. The Earth being round, and the President having gone so far, is of course the explanation of this fact.

—Pyramids are supposed to have been erected as sepulchres for dead kings—the Pharaohs of Egypt. Happy thought! Has the *Standard* Pyramid been formed for a final resting place of that Company, when dissolution-day comes? That it should sleep its last sleep, under that noble pile—nothing could be *fairer*, eh?

—There are very many ciphers in the figures composing that renowned Pyramid. There is now one more to go in. The sigh that they cipher the lost President.

—They do say *he* has gone to Australia, whereupon our muse, addresseth the Secretary and Stockholders:—

'Neath the beautiful sky of the Southern Cross
Your President weeps! But your Loss
Is his gain! Though he never return
Keep his memory green—
Reinsuring your risks in the "Royal" or "Queen."—

THE STANDARD FIRE INSURANCE CO. AND ITS MISSING PRESIDENT.

We understand that D. B. Chisholm, Esq., President of the *Standard Fire Insurance Company*, of Hamilton, and of divers and sundry other various associations, societies, etc., etc., has suddenly, and evidently with malice aforethought, betaken himself to parts unknown, much to the chagrin and pecuniary detriment of the said divers and sundry parties, not excluding some confiding personal friends; but just exactly to what extent, pecuniarily or otherwise, the noble and upright STANDARD FIRE INSURANCE COMPANY may have cause to regret his sudden and to be lamented departure, we are not prepared to say.

We may be somewhat hasty in thus concluding that the worthy President departed altogether unknown to that great and good Company, or its equally worthy *Secretary*, who, as we learn, yet remains to support the dignity of the office, because, "as coming events cast their shadows before," it may be that the column of editorial notice recently obtained in one of the New York Insurance Journals, in which its dispute with the Dominion Insurance Department was discussed, and the learned Secretary's opinion ventilated, and still more recently, a column of favorable discussion as to the learned Secretary's standing in this matter, in another paper—were but initial steps in a programme having for its purpose the opening up of an *underground line* for getting business in the United States, and the officers excited by these favorable notices, and sanguine as to the favorable reception of a company having \$3,000,000 of *authorized* capital, \$297,000 of *subscribed* capital and \$19,000.00 of *actually paid up* capital, a statement unparalleled by any company now operating there, it may be, we say, that under these tempting circumstances, the managing secretary has slyly dispatched the worthy President across the line to attend to these underground arrangements until such time as the sharp Crawford can pull the wool over superintendent