

FIRE INSURANCE COMPANY PREMIUMS IN ALBERTA, 1911-12.
(Continued from p. 1205).

	Premium Income in 1911.	Premium Income in 1912.
Mercantile	\$15,584	\$18,337
Middle West	3,405	5,198
North West	11,160	10,043
Northern	37,080	52,272
Niagara	7,394	9,185
Nova Scotia	13,615	33,947
National Union	11,565	21,132
Norwich Union	49,380	55,994
North British & Mercantile	41,027	53,541
National of Hartford	17,148	27,029
North Coast	340	
North Empire	4,949	12,287
North West National	1,667	7,291
Occidental	23,726	25,678
Ontario	5,391	20,280
Pacific Coast	11,064	20,431
Phoenix of London	43,281	42,138
Providence Washington	12,385	19,177
Palatine		7,023
Phoenix of Hartford	31,254	38,869
Queen	40,474	40,312
Quebec	15,796	18,383
Royal	77,148	78,382
Rimouski	13,985	
Royal Exchange		32,691
Scottish Union & National	12,889	17,971
Sovereign	13,773	15,874
St. Paul F. & M.	20,755	29,232
Sun of London	21,486	24,619
Saskatchewan	4,577	9,548
Springfield F. & M.	19,592	33,113
Union of London	28,381	29,827
L'Union of Paris	2,825	15,908
Wawanesa Mutual	7,793	8,813
Winnipeg	6,004	
Western	30,525	16,361
Western Union	9,872	11,748
Western Canada	2,981	
Yorkshire	24,073	28,875
Total	\$1,604,582	\$1,949,396

BRITISH BANKS' CASH RESOURCES HIGHER.

While the "primary" deposits of the British banks, i.e., the gross deposits less discounts and advances fell during the June half-year by \$75,000,000, call money has been reduced by \$32,500,000 and cash in hand increased by \$12,500,000, so that the ratio of actual cash resources excluding that lent at call, to deposits is better than it was at this time last year. From this point of view, therefore, says the London *Economist*, the banking position is seen to be relatively stronger than it was a year ago. It is probable that the addition to the "cash in hand and at bank" has occurred entirely in the cash in hand. Bankers for a long time have been strengthening their own cash holdings, and the chairman of Barclay's Bank suggested that before long the banks will disclose the actual amount of their cash as distinct from their balances at the Bank of England.

Bankers have been husbanding their cash resources by selling their investments, and the future outlook for the stock markets depends primarily on the demand for accommodation in the money market. If the ratio of loans and discounts to deposits must rise still more during the autumn, the proportion of cash in hand can only be kept up by selling investments. It is improbable that the amount of money at call and short notice will decline much further. The short loan market is bound up with the discount market and also with the stock markets. When bill rates are high more money can be employed in discounting by drawing on the short loan market, but

if a demand for loans appears from the stock markets investments must be sold, and in this quarter is possibly to be found the explanation of some of the severe liquidation of high-class stocks during the past year.

NEW YORK DEPARTMENT AND THE LIABILITY COMPANIES.**Insurance Superintendent Issues Definite Instructions to Companies Regarding Future Action—His Action Approved by Companies who are Hastening to Comply with Requirements.**

The New York Superintendent of Insurance has addressed a further letter to the companies transacting liability insurance in that State regarding the placing of the business upon a sounder basis. He issues definite directions regarding the lines of future underwriting, commissions and administrative expenses, these becoming effective on October 1. The Superintendent states that the companies have been unanimous in their approval of the sentiments of his previous letter, and have expressed their intention of complying with its requirements. The following is the text of the present letter:—

On June 20, 1913, I addressed a letter to your Company (a similar letter was sent to all companies authorized to transact the business of liability insurance in this State) calling attention to the serious situation then existing in the liability business. I then stated that this department would insist upon the companies conducting their liability business upon a sound basis, and in particular as follows:

1st. Basing their underwriting upon statistical experience and the physical and moral hazard of each individual risk and free from the influences of competition.

2nd. Commissions to brokers not to exceed 15 p.c., and perhaps a slight increase over that to agents, but in no event should total commission exceed 20 p.c.

3rd. Administration expenses to be minimized.

Before taking final action, this department has waited until replies were received from the various companies, in order that we could give consideration to any suggestions that might be made.

In the replies that have been received, several of the companies have raised the point that the limitation should be placed upon the total business getting cost or acquisition expense, as well as on the amount of commissions to be paid. This is a point well taken, for a reduction in commission would mean nothing should salaries or other allowances be increased to the extent that commissions had been reduced, and the directions have been modified so as to include a limitation on the total acquisition expense.

COMPANIES' APPROVAL

The companies have been unanimous in their approval of the sentiments set forth in my letter of June 20th, and have expressed their intention of complying with its requirements. A considerable number of the companies have already notified me that they are now conducting their liability business along the lines outlined in my letter. Others, while approving my recommendations, have not as yet taken any real steps along the lines suggested, but have been apparently waiting for final directions. These final directions are as follows:

1st. Your underwriting to be based upon general