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## THE Insurance and Finance Chronicle.

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THE PRESENT ISSUE of the INSURANCE AND FINANCE CHRONICLE marks the close of the twelfth year of its history. These have been eventful years in the underwriting and financial world, and how well our distinctive mission has been performed in keeping abreast with the times we leave our columns to attest. Our constant aim has been to make the CHRONICLE at once a faithful recorder of passing events, and a vehicle of pronounced opinions and progressive ideas, to the end that it might be helpful in promoting the interests to which its columns have been dedicated. If cheering words of approval and an ever widening circle of friends and patrons may be taken as evidence that our aim has been reasonably well achieved, then we have abundant reason for encouragement. Our policy in the future, as in the past, will be one of approval for sound and honest practices, and warfare on shams and questionable projects whenever and wherever they may appear. Closing the record of the past with pleasant remembrances, we turn hopefully toward the future, wishing our many friends prosperity, a MERRY CHRISTMAS and a HAPPY NEW YEAR.

AN IMPORTANT CONVENTION was held in New York on Tuesday and Wednesday of last week composed of representatives of the various general bodies of fire underwriters in the United States and Canada, to discuss and formulate standard regulations for electric wiring throughout the country. Messrs A. T. Paterson, president, and A. W. Hadrill, secretary, at Montreal, of the Canadian Fire Underwriters' Association, and Mr. A. W. Smith of Toronto of the Ontario Board represented Canadian interests. The Western Union, the New England Insurance Exchange, the Southeastern Tariff Association, the National Board, and the New York, Philadelphia, Boston, Chicago, Cleveland and other boards were well represented. A thorough discussion

of the electrical hazard and the most effective means to meet it took place, and resulted in the adoption of a code of rules which are to be submitted to the various underwriters' organizations for adoption. Before adjournment the "Underwriters' International Electrical Association" was organized, with Mr. C. E. Bliven of Chicago as president, and Mr. C. M. Goddard of Boston as secretary and treasurer. A strong executive committee will be composed of one member from each underwriters' organization represented. This is an important and timely movement, and valuable practical results may be looked for from it.

MOST PEOPLE ARE keenly alive to the fact that the dividends or bonuses realized by policyholders from a majority of the life companies have been of late years steadily decreasing. The common excuse for this state of things has been the decline in the interest rate realized on invested funds. This is a good explanation as far as it goes, but doesn't happen to go very far, however, for, as we have repeatedly shown, the interest rate realized by the life companies in the United States and Canada has decreased less than three-quarters of one per cent in the last ten years. The real main cause of low dividends is to be found in the increased expenditure in the getting and management of the business. Anybody who will take the pains to compare the percentage of commissions to agents to total premiums of the leading companies given in the New York report ten years ago and now will find an increase averaging fully five per cent. on the *total premiums*. Allowing a liberal figure for renewal commissions and the size of the increase in commissions on new business may easily be seen. This large increase goes into the rebate well, not into the agents' pockets.

IT OUGHT TO BE understood pretty generally by this time, that the lending of money on a life insurance policy gives the lender interest in the policy only to the extent of the amount, with reasonable interest, paid thereon, however absolute the assignment. The courts have frequently so decided, and now the Supreme Court in New York adds another to the decisions already rendered, which is of the same tenor. One Sharp, in his extremity for ready money, borrowed of one Rose \$736.46 on a \$2,000 policy issued by the