

THE NEW ENGLAND EXCHANGE.—The annual meeting of the New England Insurance Exchange took place on the 6th inst., with a full attendance of members, and President J. B. Cornish in the chair. The business consisted of the president's address, the reports of the Executive and sub-committees and the election of officers for 1900. The president's address was followed with marked attention. He spoke feelingly of the losses of those members who had died during his administration, and touched in succession upon the amicable feeling between the Exchange and the various companies and the fact that there had been no legislation of moment, and also his gratification at the promotion of several members. In discussing the question of rates President Cornish said:

Among the more important matters which I think should claim our thoughtful attention is the question of rates. Because of the natural and worthy desire to help local agents to retain and to increase business I fear we have erred in judgment by leaning too far in the direction of reducing rates. To-day the abnormal loss ratio on one side and constant decrease in premium receipts, because of reduction in rates, on the other, which they will make more acute during the coming year by the application of the terms, places the income of companies in the condition of a candle that is burning at both ends. This condition resolves itself into an axiom that we must extinguish the flame at one end or the other. And, as with all our good work in the matter of preventing the fire waste, which is simply appalling, we are still unable to reduce this loss ratio to a normal figure, we are forced to the position of not only to stop reducing rates but to increase them where necessary. Every reasonable man is willing to pay a reasonable price for the goods he purchases, and it is no kindness to the public to reduce rates and to weaken insurance indemnity to the extent that it cannot meet losses promptly and pay them in full. In the matter of rate making I take this opportunity to speak of the principle of equity, which I believe should enter into it. For years I have believed that rates should be so adjusted to all classes of property that we can cast into innocuous desuetude that travesty on underwriting, the dreaded prohibited class. Absolute equity should obtain in this matter, that justice be done to all and injustice to none. Unsprinkled woolen mills and shoe factories should be so rated that they will rank with standard sprinkled risks for profit. We seem to forget that in our hesitancy to put self-supporting rates on these and other hitherto unprofitable classes we are doing a rank injustice to those other classes that are like a free horse which is willing to draw more than his share of the load simply because he is asked to. Justice and equity are virtues that should obtain in rate-making as well as in any other part of our business. The practical adoption of this principle by the Exchange will enable it to more clearly approach the

ideal in underwriting and the more firmly to establish the confidence of the public in the wisdom of this body.

THE NEW YORK STATE INSURANCE DEPARTMENT.—Both insurers and insured, recognizing the high standards prevailing in the Insurance Department, have been besieging Governor Roosevelt, personally and by letter, to re-appoint Superintendent Payn. That there should be any hesitancy on the part of a governor who has been regarded as a real civil service reformer for many years in re-appointing such a State officer is attracting attention even in other States.

One of the most influential insurance papers in the entire South, published in Kentucky, while admitting that it opposed Superintendent Payn's appointment two years ago, for political reasons, said this of him editorially a few days ago:

"The indications are that Louis F. Payn will not be re-appointed Insurance Superintendent of New York. Governor Roosevelt could go further and fare worse. It must be admitted that, despite the objections to Mr. Payn as a 'practical politician' and machine man, his public record in the insurance office is excellent. Under his conduct the New York Department once again carries force, and has become the standard department. Under Mr. Pierce its prestige declined.

"It was the retirement of Colonel George S. Merrill of Massachusetts that made it possible for the New York Department to succeed to the premiership. Colonel Merrill was the dean and acknowledged authority on State supervision and the practical application of its powers to a great business system. He made the Massachusetts Department a beacon light for the general guidance of all departments. His place is not yet filled in that respect, however well others may perform their duties. Colonel Merrill stamped an individuality and magnetism on the office, and the two were merged. It is therefore no small compliment to Mr. Payn to say that his clear and forceful administration in New York has been such as to thoroughly satisfy the great interests affected by the office."

John A. McCall, president of the New York Life Insurance Company and formerly State Superintendent of Insurance, said recently that so far as he was aware of the feelings of the insurance officials, fire and life, they believed as he did—that Mr. Payn had made a most acceptable officer, and that no hint of wrongdoing or unjust administration had ever been given. "The fact is," said Mr. McCall, "the Superintendent, by his wise course and conservative action, has disappointed his enemies. The Insurance Department is not an easy bureau to supervise. Mr. Payn has been patient, thoughtful and honorable in all his relations to the companies and their policy holders, if I am to judge him by his speech of the leading officers. I know that, so far as my own company is concerned, we have no complaint to make.—New York "Press."

Royal Insurance Co.

... Queen Insurance Co.

ABSOLUTE SECURITY

GEORGE SIMPSON, Manager

WM. MACKAY, Asst. Manager.