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Publicity of Accounts.

THAT State supervision of insurance companies within certain limits is a desirable thing will be generally admitted, but that it has its drawbacks cannot be doubted. These arise from a mistaken conception of its objects, which are or should be strictly confined to the protection of the public from "wild cat" companies and insolvent concerns. If that were thoroughly understood and recognized, the principle could only work for good. Unfortunately, however, policyholders and the public generally seem to regard State supervision as a measure relieving them of the necessity of taking an active, healthy interest in the business of the companies. This apathy is none the less unjustifiable and dangerous because companies may not have taken advantage of it in the past to refrain from giving due publicity to their transactions. It is well to have an Insurance Department to vouch for the security of companies, but the duty devolves upon the insured and the shareholders to see that their affairs are administered in such a way as to ensure the utmost success attainable. The fact that a company continues to remain solvent or even to declare a large surplus is no evidence that its business is being managed in the best interests of those concerned. Are its funds invested in sound, productive and realizable securities? Are its expenses kept within economical bounds? Are its policies well retained on the books, as shown by the ratio of lapses and surrenders? Upon the answer to these and similar questions will depend the conclusion whether the resources of a company are being properly conserved or not. And the companies would do well to invite enquiry on these points by the publication of the fullest information in detail as to their progress. Nothing begets confidence so surely as candor, in adversity as well as prosperity.

Fire Insurance Legislation in U.S.

THERE are no less than eighteen insurance bills before the various Legislatures of the United States mostly dealing with fire business. A few of these are retaliatory as between State and State; only one of them can be regarded as favorable to the companies, whilst all the others are calculated to harass and restrict them. The fact is a significant one as showing the light in which companies are regarded by a certain unthinking section of the public. It is really surprising what a density of ignorance prevails amongst even intelligent people about fire insurance business. The idea that it is a capitalistic monopoly, ever ready to overreach or exploit the public, is one of the most astonishing delusions of the day. Even if it were not opposed to common sense, the fallacy is so contrary to the plain teachings of recent history, that one wonders how it ever took root, and still more that it apparently continues to grow. It is only necessary to glance at the statistics of companies to see that they have suffered as much as, if not more than, any other large interest for a long time, and that far from reaping undue profits, many of them have actually been granting insurance at a loss. With an increasing loss ratio and increasing competition, the companies have enough to contend against without having their difficulties added to by hostile legislation.

Unearned Premium Reserves.

A BILL is now before the Legislature of New York, which if passed is calculated to have an important bearing upon fire companies. The present law, requiring the whole of the unearned gross premiums to be reserved, has pressed very hardly upon new companies, so much so that out of over a dozen started during the past ten years, only one has succeeded in bearing the strain placed upon its resources by this provision. As illustrating the impracticability of a new company establishing itself under the circumstances, unless backed with a paid-in surplus at the start, a contemporary furnishes figures for a hypothetical case, showing that if a company had started on 1st April last with \$200,000 capital, and wrote \$250,000 in one, three and five year policies, there would, even under favorable circumstances, have been an impairment of \$45,000 at the end of the year. The proposed