

Vol. XIII. No. 9.

Insurance and Finance CHRONICLE.

Office:
1724 Notre Dame Street.

MONTREAL, MAY 1, 1893

Subscription:
\$2.00 per ANNUM

THE Insurance and Finance Chronicle.

Published on the 1st and 15th of each month.

At 1724 NOTRE DAME ST., MONTREAL.

R. WILSON SMITH, Editor and Proprietor.

Annual Subscription (in Advance) \$2.00
Prices for Advertisements on application

All Communications intended for THE CHRONICLE must be in hand not later than the 10th and 25th of the month to secure insertion.

We regret to announce a severance of our pleasant relations with Mr. A. H. Huling, who for several years has been the editor of the INSURANCE AND FINANCE CHRONICLE,—a position which he has filled with marked ability and to the satisfaction of all concerned. He has won the high esteem and respect of all those with whom he has come in contact during his stay in Montreal; but owing to the adverse effect of the severe climate on members of his family, he feels compelled to return to the vicinity of his old home at Chicago. We trust that his pen will still be wielded in the field of insurance journalism, in which he is so well known as a conscientious and versatile writer. We wish him the most abundant future success.

**Burglary
Considered as
an Accident.**

If the opinion of the attorney-general of Ohio finds general acceptance, the casualty and accident insurance companies may engage in burglary insurance under the present laws of several States. The Ohio insurance superintendent, Mr. Kinder, asked the attorney general whether, under the Ohio law which authorizes certain companies "to make insurance against loss or damage resulting from accidents to property from causes other than by fire or lightning," a casualty company may insure persons against burglary or theft? The attorney-general, after reviewing the provisions of the law, concludes that companies operating under section 3.641, above referred to, may legally transact burglary insurance. He reasons, that, while burglary is not, so far as the burglar is concerned, an accident to the property owner, it is an accident, in the sense that it was an unforeseen and unexpected event. This is a pretty broad interpretation of an accident, and would apply to a good many happenings which the accident companies, rightly or wrongly,

refuse to be held liable for. We should like to see the opinion of some competent court on the question whether or not burglary is an accident.

**Life Companies
and the
Interest Rate.**

ACCORDING to the Connecticut insurance report, the life insurance companies doing business in that State—31 companies—realized in 1892 on the mean amount of total assets an average of 4.80 per cent. for interest, against 5.00 per cent. in 1891 and 5.19 in 1890. The average in 1892 of the Connecticut companies was 5.20, and several of the companies of other States realized from five to five and a half per cent., the general average being, however, as stated. If actually invested instead of total assets were used in the computation, of course the average would be considerably higher. The figures show a small but steady decline for the last ten years in the interest rate realized, the rate in 1883 being 5.21, in 1884, 5.13, increasing in 1885 to 5.15, in 1886 to 5.22, then dropping in 1887 to 5.11, still further in 1888 to 5.05, and in 1889 to 4.91. The three past years have shown as above stated. Unquestionably the trend of the rate of interest realizable in the United States has been downward, but whether the downward tendency will or will not continue is a question not easy to answer. To us it looks tolerably certain that, with the vast region of undeveloped country on this continent calling for the employment of capital, it will be a good while at least before well managed investments of life companies will fall below four and a-half per cent.

**Electricity
and its
Possibilities.**

ARE the developments of which electricity is capable still in their infancy? It looks very much that way, certainly. The latest phase of these developments has appeared under the experiments of Nikola Tesla, a Hungarian electrician of some note, made recently at St. Louis. He seems to have proved what Edison has claimed to be true, that two wires are not necessary to produce the electric current, but that the air can be utilized for the return current, and that he can send a message to a ship at sea by his system. But he goes further than this, and boldly claims that the wire can be dispensed with altogether. Tesla bases