

TORONTO LETTER.

To the Editor of INSURANCE SOCIETY,—

Since last writing you, a special general meeting of the "Union" Fire Insurance Company's shareholders has been held. After a little wrangling as to who should occupy the chair, (reminding me of the late Ontario Bank meeting), the assembly got down to work. This work seemed to be to wind up as speedily as possible. Any hope of re-construction or re-organization was, in view of the temper of the meeting, plainly out of the question. The malcontents were there to kill, and carried their point, and thus a Company that had good prospects, good connection, and a good field, that had survived the internal troubles natural to infancy, and surmounted many external difficulties, has succumbed to the tactics of a faction, who themselves resisting payment of stock calls, induced by their example others to do likewise, finally bringing down (by their alleged procurement) on the Company the Ontario Insurance Superintendent, whose investigations, by self and deputy, resulted in a suspension of the Company's license. From statements made at the meeting, it would seem evident that the Ontario Government has acted hastily and harshly in suspending the license, and so killing the "Union's" business. Finding financial matters not in the shape required by law, notice should have been given, and reasonable time allowed the Directors to place the Company in proper position, failing which action the penalty could then be enforced. This was not, however, the treatment meted out. The "Union" Directors dispute the figures on which the Superintendent based his report. One item of their complaint is noteworthy—they were not given credit for re-assurances effected with licensed companies—thereby making their net liability appear larger than it really was. The Shareholders elected a Committee to wind up and liquidate their affairs. I have since heard that the County Judge has appointed the late Secretary Receiver and to wind up. This would nullify, I suppose, the appointment of the Committee, and I fear will add to the delay and trouble of liquidation. Whosoever duty it be, they should see that the shareholders' interests are protected by immediate re-insurance of outstanding risks. Delay in this respect is foolishness. The "Scottish Imperial" and "Fire Association" have both, it is said, been viewing the business with the object of tendering for it. And so another Canadian company goes off the stage.

Now that it has been decided by the highest Court in the Realm that the Provinces in this Dominion can make their own Insurance laws, what insurance quackery we shall be likely to encounter. Ontario will lead off, I suppose, by requiring deposits from all non-local Companies, and inter-provincial retaliation generally and all round may be looked for. Schemes will be introduced in local Parliaments for the protection of "home institutions," and to foster "our local industries," especially Insurance. Under the protection of local legislation, the "West Wawanosh Mutual Fire Insurance Company" will flourish, and the assets of the "River Speed Farmers" increase from 98 cents in 1880 to \$1 (?) next year. They shall the respective and respectable secretaries of the "Usborne & Hibbert," the "Townsend Farmers," and the "Saugeen," the "Oneida Farmers," and the "Walpole," rejoice and be exceedingly glad (you doubtless know all these gentlemen well) at the possibilities in the near future, when their respective local members advocate their cause as against outside competitors.

Under your article, "Our Fire Record," in last issue, you say after your fire tables are prepared from Companies' combined experience, showing loss ratios in districts, &c., then, "the foolhardy rate-cutter would not so triumphantly flourish as he is commonly reported to do." I can name the "rate-cutter," or rather the Company representing him. A hat taken round in Montreal and Toronto, to managers, asking them to put the name on a slip of paper into the hat, would afterward show four out of five had

named the Company I am thinking of. No, it is not an American Company.

A general circular has been addressed to all the Stock Companies asking them to co-operate in the adoption and maintenance of minimum tariffs for Ontario and Quebec. New tariffs for lumber and boot and shoe factories are under discussion, and a closer union generally is observable amongst the Companies, with, of course, occasional misunderstandings. Outsiders tell me that they again hear noises in the Tariff Association Rooms here, and ask if it means a rupture and dissolution at no distant day. I tell them it is only the moaning of the tide—tied up to the Tariff, you know.

Yours,
(until the Tariff Association breaks),

Toronto, 14th Dec., 1881.

ARIEL.

NEW YORK LETTER.

To the Editor of INSURANCE SOCIETY,—

The fire insurance situation in this city is rather mixed; one of our Companies, the Hoffman, has decided to withdraw from active business operations, giving, as reasons for this course, the low rates of premiums, large increase of expenditure, heavy taxes, and a discouraging outlook; it is reported that ten other local companies are willing to retire on account of recent large losses; some of the larger companies suffered heavily by the late fire at the Safe Deposit Warehouse, and again at the burning of Mayer & Bachman's immense brewery,

The Atlas Fire of Hartford, after languishing for a long time, has finally ceased operations, they offer to cancel existing policies at short rates, and pay two-thirds of the return premium now, this of course is not a very satisfactory proposal. The truth is that the Atlas did not advertise to any extent, remained in comparative obscurity, and, therefore, failed to gain the attention, confidence and patronage of the insuring public. It is supposed that the remaining Hartford Companies have made money, as also some of our larger Home Companies, and those Local Offices who have kept at home, unseduced by the attractions of Texan and other special hazards.

The drought (which prevailed so long) prevented a sufficient supply of water in many places, and so increased the amount of loss.

A strong effort has been made to unite the discordant elements of the business, and to promote the general interests of the Companies, a large proportion of them are in favor of the plans adopted by the late Convention, and although no improvement is yet visible, the organization of District Associations under the jurisdiction of the United Fire Underwriters in America is progressing; it is to be hoped they will be sustained in good faith by the Companies, and that all will reap the reward due to their good deeds.

New York, 15th Dec., 1881.

MISCA.

FLOUR MILLS.

(Continued.)

[We continue from last issue the essay of Ernest C. Johnson, of Michigan City, on Flour Mills, which was read before the Fire Underwriters' Association of the North West, on the 14th Sept last.]

We would apologise for so lengthy extracts on this subject in our present and November issues, but for the opportuneness of the article as evidenced by the recent destruction of Messrs. D. & A. Campbell & Co. mills near Ridgetown, and the fact of the general reconstruction of Flour Mills now going on in this country for the purpose of adopting the Hungarian process. Every day shows the necessity of com-