

upon some conscientiousless broker who by reason of an extra large commission would foist upon him all kinds of "cats and dogs." Inasmuch as the chief insurer is the responsible party would he not be extremely careful to see that the reinsurance contracts are with companies competent to meet with their pro rata liability.—"Insurance World."

STABILITY OF LIFE ASSURANCE.—No better evidence of the stability of life insurance has been produced than the result of the examination of the Equitable Life. This corporation has been through an ordeal during the past six months which as has well been said, would have staggered, if not wrecked, the Bank of England, and yet after a most rigid valuation of its assets by the examiners of the New York insurance Department and after deducting all possible liabilities, there still remains as of June 30 a handsome surplus of over \$62,000,000 on the basis of admitted assets. The examiners threw out some \$5,000,000 from the real estate valuations, so as to bring them all on a three per cent. basis, but this, of course, is a mere technicality and in no way affects the company's financial standing. The reduction in admitted assets which the examiners have made is purely a matter of bookkeeping, and the Equitable stands to-day stronger than ever. And what is true of this company will undoubtedly prove to be so of the others now under fire. Nothing has as yet been brought out by the "inquisition" which at all affects the solvency of any of them, nor is there likely to be, and when the atmosphere has been clarified it will be found that not a foundation stone in these great life insurance structures has been weakened nor the superstructure in the least injured.—"The Indicator."

ACCIDENT POLICIES THROWN IN.—Reference has frequently been made in these notes to the straits to which some of S. American Life companies are reduced in their efforts to find new business and the "attractions" which they offer to tempt the seeker after special advantages. The latest "specialty" is the throwing-in of an accident policy for \$1,000 for every \$50 of annual premium paid. To the managers of industrial concerns whose employees are insured against accidents, an accident policy of \$5,000 more for every \$500 of annual premium, is issued. In all cases the only charge is the \$2.50 for stamps on the policy. One would have thought that the more likely way to have secured new business was to reduce the premiums. If the life premiums charged by "La Aseguradora del Plata" are sufficiently high to cover an accident risk, then every policy-holder who may not require accident insurance should be entitled to a rebate on his premium! Talking of rebates brings up the question of rebates of commission which many agents are offering to induce business. There is nothing more damaging to an agent's reputation than the miserable resource of offering part of his commission to a possible insurer and yet this pernicious system is on the increase in Argentina, according to current talk. The companies who have made this possible by the high rates of commission they pay are really to blame for its existence. If the Argentine inquiry commission goes deeply into these things there will be "incidents" disclosed that will not exactly coincide with that purity of procedure which El Diario claimed for National companies when furiously attacking the Yankee companies, and calling upon the Government to practically suppress their business here. Fortunately the people advising the Government know more of the inner working of life insurance concerns in this country than the party who inspired the article in our contemporary would imagine.—"Review of the River Plate."

PERSONALS.

MR. H. H. BECK, who has recently been appointed manager of the Anglo-American Insurance Company, spent a few days in Montreal this week.

MR. F. H. RUSSELL, manager for Canada, Railway Passengers Assurance Co., was in the city this week, visiting the Montreal agency.

MR. ROBERT ARKELL, some years manager of the Merchants Bank of Canada at St. Jerome, has been appointed manager of the St. Catherine St. branch in this city.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

NEW YORK INSURANCE LETTER.

New York, Nov. 28, 1905.

The tendency towards change and consolidation in fire insurance is constantly shown by the endeavors, many of them successful, on the part of outsiders to obtain control of the stock of some of the old and well-known companies. There, for example, was the American Fire Insurance Company, of Philadelphia, organized nearly 100 years ago, and in its time an important factor in fire underwriting in this country. Now the stock has been bought by aliens and strange hands will soon be dictating its policy and managing its affairs. The same thing is observed in England where similar changes have recently taken place. The speculative spirit, so far as fire insurance stocks are concerned, is rife in this town, and it may be expected that other old companies will soon be the objects of attack.

The proposed investigation of the different departments of the New York Fire Insurance Exchange does not necessarily mean that anything wrong is known or suspected, but department managers are liable to get into ruts, and, if a judicial and impartial investigation could be instituted, it would likely result in an improvement of the methods used. It seems difficult, however, to get this investigation started, for what reasons may appear later on.

The life insurance investigation still drags on, and the *ex parte* and unjust methods of handling the witnesses still continues. Every witness is approached as though it were necessary for him to conceal or evade something, and in no case is the counsel of a witness allowed to cross-examine or ask a question except through suggestion to the inquisitor of the committee. The sensation of the recent period was the charge made by ex-Vice-President James H. Hyde, that ex-Governor Odell, then Governor, had threatened to repeal the charter of the Mercantile Trust Company (largely owned by the Equitable Life) unless his, Odell's, losses resulting from his ventures in United States Ship Building stock were promptly recouped. Both E. H. Harriman, the railway magnate, and ex-Governor Odell, deny the charge, but the popular inclination is to believe Mr. Hyde's testimony.

A notable life insurance change is the resignation from the Metropolitan managership of the Union Central Life by Hon. W. A. Fricke, ex-Insurance Superintendent of the State of Wisconsin. Dr. Fricke proposes to start a new company on lines in accordance with original ideas which he has for some time been cherishing.