

New mining enterprises give notice in last *Official Gazette* of British Columbia of being organized, and others of increasing their capital, the aggregate capital of the whole being \$2,900,000.

H. N. Boire, manager of the Winnipeg branch of the Banque d'Hochelaga, is about to resume his old position as manager of the Three Rivers branch, which he held before coming to Winnipeg. W. H. Pambrun, manager of the Vankleek Hill, Ont., branch of the bank, is Mr. Boire's successor. The *Commercial* says, Mr. Boire's removal will be very much regretted by the business men with whom he has been associated at Winnipeg.

An English technical paper says the "competition in steel rails threatens to leave the English manufacturers high and dry, unless they can manage to reduce their present quotations, which are based on a uniform charge of £4 15s. per ton for heavy rails. The Grand Trunk Railway Company has this week purchased 15,000 tons of 80-pound rail from the Illinois Steel Company of Chicago, at a less price than that quoted by English firms. Hitherto the Grand Trunk has purchased practically the whole of its rails from England, but firms in the United States are now running us so hard that we cannot secure Canadian contracts at syndicated prices."

Correspondence.

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

TORONTO LETTER.

Medland & Jones new agency.—The Agricultural retires from the Toronto Board.—The non-boarders have their innings.—Rumored centralization movement.—Are there any more Canadian Fire Companies for sale? A youngster who asked questions and got a remarkable reply.

DEAR EDITOR.

By the resignation of Mr. John Gouinlock, Messrs. Medland & Jones have succeeded to what is virtually the general agency for Ontario of the Canada Accident Assurance Company. Their list of agencies now include the Scottish Union & National Insurance Company of North America, Guarantee Company of North America, and the Canada Accident. Their offices in the Mail Building, corner of Bay and York streets, are convenient, and in the matter of signs I may say resplendent, for they have recently added to their varied and associate attractions three brass signs of recent make and as keen so effective on a sunny day, that they are most serviceable advertisements.

The Agricultural Insurance Company has, I learn, formally notified the Toronto Board of Fire Underwriters of its withdrawal from that association. This result has been expected for some time. It is given out as the chief reason for this retirement, that the competition of the mutuals and other non-board offices in the City of Toronto has been keenly felt by the company, because its specialties in business, such as dwellings, store-dwellings, and small shops, which comprise nearly three-fourths of its city risks, are also specially sought after at low rates by their non-board competitors. The high rates of the Toronto Board which all members are required to exact, prevented their defending their acquired business, and as they do not propose to allow themselves to be quite driven out of the field in this way, they are obliged by self-interest to withdraw from the Board. The management say it is not intended to solicit new business of any kind under Board rates or "cut," as against Board Companies, but only to protect risks presently on their books. It happens to be a law of the Canadian Fire Underwriters Association that a company member of it is obliged

to be also a member of all local boards, Toronto, Hamilton, and so on. In consequence of this regulation the Agricultural, by retiring from the Toronto Board, puts itself outside the C. F. U. A. and is no longer pledged to follow its tariffs or share in its benefits. What the after effects of this move may be I cannot say, or whether the other companies interested will make any special protest. It is of course regrettable just now that the non-boarders should receive any accession to their sufficiently large number, because it is very certain they are all piling up business on their books of the kind and class that are known as "desirable," and which, without the present comparatively high rates, they could not have secured. Having for so long a time enjoyed lower rates of fire insurance than the city's equipment for fighting fires really justified, the Toronto public are specially resentful of the present advance, and so encourage the non-boarders by way of punishing the others. One thing is now very apparent, viz.: that the manner in which the necessary increase of rates was introduced and applied by the Toronto Board was hasty and ill considered; also, that through the influence of certain interested companies, the increase was not generally distributed but made local, and was by so much illogical and unfair, seeing that such increase, or the major part of it, was alleged to be necessary because of the inefficient fire appliances. Ordinary people would thus naturally infer, that if the fire appliances were bad for one part of the city they were measurably bad for all of it, and so the increase should have been so spread over all risks in some equitable way, as to share the burden, and not, as was done, load the mercantile section of the community with the whole of the extract impost.

The gossips say there is a movement amongst the larger companies to centralize their interests and representation. The idea being that the companies would select some six or seven of the leading agents, say in Toronto, and divide up the companies amongst this, or perhaps a lesser number, with the object of so reducing the working expenses, and do away with many of the too numerous city and special agents. It is supposed some such arrangement of centralization would make it worth the while of such representatives to handle the enlarged business at 15 per cent. commission. At present, agents get 20 per cent. and over, with allowances for rental, etc., but have to give off so much to sub agents and specials, for their work, that they barely net ten per cent. for themselves, and many of them not so much. It certainly seems there is room for reduction of expenses. The excessive competition of companies themselves is blamed for the heavy cost, and an agreement such as the above might afford some relief. At the same time, difficulty may arise in getting a sufficient number of the companies to join in a compact of the kind.

A brisk demand seems to have arisen for Canadian Fire Insurance plants. Parties having control of such can hear of ready purchasers amongst certain British companies. So far the demand seems in excess of the supply. Would it not be more beneficial to the profession, if purchases were made in this way of non-Board companies? The removal of these obstructions in the premium channel would enable the big fellow to make more profitable voyages. The story goes that a certain insurance gentleman, accompanied by his nephew, a bright youngster of the questioning variety, fell in with another gentleman high up in the same profession, and as they together walked down Yonge street their conversation was of an animated and argumentative kind regarding insurance matters. The youngster was an intelligent listener, for when the gentlemen parted at King street, he suddenly asked his uncle why the British offices sometimes send out an official to associate as an extra representative with their Canadian or American manager. Somewhat taken aback by the nature of the query, the uncle gave the following impromptu reason to his nephew: "In reading history, you will frequently find mention made of hostages given by a vassal to his lord, by the conquered to the conqueror, as a guarantee that he or they will