

with an estate tangled and plastered and worthless.

Yours, E. R. C. CLARKSON.
Toronto, 8th November, 1892.

A GROWING EVIL.

In his address before the twenty-third annual meeting of the Fire Underwriters' Association of the Northwest, President Gray alluded in no uncertain terms to an evil which has crept into the business and which shows a tendency to increase, and that is the reinsurance of failing and retiring companies. Within a year past some sixty companies have retired from business by reinsurance, and of that number quite a respectable proportion belonged to the class which never had any financial standing. They flourished for a time, raked in what money they could, and when their managers saw the inevitable approaching they sold the business to some sound company and retired their own. The anxiety to secure a good line of business produces many willing purchasers of this class of business, and hence there is seldom little if any difficulty in effecting a reinsurance in a first-class company.

Of late years especially, there have sprung into existence in all parts of the country where their organization was possible, a lot of companies that never had any financial standing and were never entitled to the name of insurance companies, but which, nevertheless, have succeeded in transacting no inconsiderable business. Having no foundation to stand upon they have naturally been short-lived, but before the final death throes approached have usually succeeded in reinsuring their business in a responsible company on good terms. The result has been, as pointed out by Mr. Gray, that a horde of speculators and irresponsible persons have been attracted to the business and have organized many of these companies which have had to quit. Armed with the knowledge that responsible companies stand ready to take on their business when "worse comes to worst," they have confidently entered the field in competition for business. If any doubts as to the stability of these concerns should be expressed, their managers have merely to point to the fact that reliable and sound companies will take on their risks if they are driven to the wall, and hence the insured will be safe in any event. And unfortunately their assertion is justified by the facts in the case, and so the public has been educated up to the point to believe that one company is as good as another and the deciding factor in the matter becomes a mere question of rates. And then there is the demoralizing effect upon the honest agents who, bound by board rates, see some of their best business secured by these irresponsibles, perhaps eventually to find its way upon the books of the very companies they represent, through a re-insurance contract. All this has a demoralizing effect upon the business and its tendency is to unsettle it.

Well, what is the remedy for this evil? Mr. Gray hints at it pretty strongly when he raises the question whether it would not have been for the best interests of fire underwriting if, in 1891, there had been sixty-one out and out failures instead of sixty reinsurances and one failure. In other words the interests of underwriting would have been advanced if, instead of reinsuring these weak and tottering companies, the stronger ones had left them to their fate to die a natural death.

DEPRESSION IN BRITISH SHIPPING.

Too many ships have been built in Britain during the last five years. The London Transport shows the number to be too great for the needs of trade. Says that journal, at a recent date in October:—

"The Shipping Register, month by month, shows that we are building a surplus fleet at the rate of 400,000 tons a year, after making good our losses from all causes. The shipbuilding returns tell the same story. Last year there were turned out of British shipyards a total of 1,031 vessels, with an aggregate tonnage of 1,293,553 tons; in 1890 the production was 1,276,129 tons; and in 1889 1,326,140 tons, which last was the largest output ever recorded in the history of British shipbuilding, while all three years record a

larger tonnage than was turned out in the phenomenally active year of 1883.

It is computed that at the present moment 15,000 men are idle between Glasgow and Greenock. This is due to the collapse in the Clyde shipbuilding trade. The decline has been steady and gradual—not the result of a sudden disaster, or of exceptional circumstances.

Out of 148 building berths between Glasgow and Greenock, only 49, or about one third, are in use, and as this industry in good times employs from 50,000 to 60,000 men, it follows that there are between 30,000 and 40,000 men not at work on the Clyde, who find employment there when the trade is brisk. About one-third of this number is said to have migrated to Belfast and Barrow, and the East Coast.

ERIE CANAL BUSINESS.

The total tonnage of 1892 on the Erie Canal proves to have been lower than for many years. A despatch of 30th Oct. from Albany says: The State canals have never been in better condition than during the past season; they have never been freer from breaks and never before has such fast time been made by boats. But the freight moved will fall to the lowest figure since prior to 1860. During the season of 1860 the total tons carried were 4,650,214. The traffic increased up to 1872, when the aggregate reported was 6,673,370 tons. In 1875 the tonnage dropped to 4,172,129, but crept up again, and in 1886 the record was 6,456,656. In 1885 the tonnage was 4,731,784, and in 1890, 5,246,102. Last year, up to and including the third week in October, the total was 3,027,828 tons, which is 248,710 tons more than for the like period this year. The tonnage by months is as follows:

	1892.	1891.
May	573,707	607,707
June	562,313	639,901
July	555,925	541,642
August	579,676	672,445
September.....	632,848	697,832
October—three weeks....	475,249	468,301

Total

Total	3,379,718	3,627,828
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There remain five weeks of the open season. In this time, carrying out the same average, the amount carried cannot reach 4,000,000 tons.

PAPER TRADE CONDITIONS.

Just at the moment matters are considerably unsettled and muddled in the paper trade. In writing papers the action of the manufacturers has already been stated in the Journal. All of them are asking higher figures from new customers or on speculative orders, but on regular orders from old customers old prices hold in many cases. In some instances from $\frac{1}{2}$ to 1c. per pound advance has been paid on loft-dried papers and $\frac{1}{2}$ to $\frac{3}{4}$ c. on engine-sized papers, but as a rule the dealers are not inclined to pay the advance. Quotations have been withdrawn both by makers and dealers, and prices are subject to change without notice. In book papers there has been relatively more business at new prices than in writings. Some sales have been made at $\frac{1}{2}$ to $\frac{3}{4}$ c. advance. News has not moved at all, but it is in good demand. Makers of Manila papers have withdrawn quotations and are endeavoring to agree to mark up prices $\frac{3}{4}$ c., but up to date there has been no actual rise. Strawboard makers have been cutting prices, and it is said that in Chicago sales have been made at \$30, and even less. There is now a conference going on in Chicago to see what can be done to stop the slaughter. Straw wrapping paper is in good demand and prices are regular.—*Paper Trade Journal*.

FIVE POINTED SUGGESTIONS.

An English journal gives the following directions for insuring success in business:—

Buy cheaply,
Pay smartly,
Cry loudly,
Sell quickly,
Cash only.

"Buy cheaply," that is, in the best market.
"Pay smartly," and take your discount.
"Cry loudly," that is, advertise well.
"Sell quickly," at a fair profit.
"Cash only," and save bad debts.

MONTREAL CLEARING-HOUSE.

The figures of the Montreal Clearing-House for the week ending Nov. 10th, are: Clearings, \$12,562,316; balances, \$1,556,474.

BLINDNESS INSURANCE COMPANY, LIMITED.

An English company, under this name, was registered in London on the 6th instant with a capital of £25,000, in £1 shares, 300 of which to be founders' shares, and the remaining 24,700 ordinary shares. The profits each year to be applied first, to the payment of a dividend at the rate of 10 per cent. per annum on the ordinary paid shares; second, 25 per cent. per annum to be placed to a reserve fund of the company; and, third, the surplus to be divided into two equal parts, one of such parts to be applied to the payment of a further dividend on the capital paid up on the founders' shares, the other part to the payment of a further dividend on the capital paid up on the ordinary shares. The object of the company is to insure and indemnify against total loss of income and extra expense through blindness, whether partial or total, and whether by accident, disease, or otherwise; to effect re-insurances upon risks undertaken by the company, and to accept surrender of policies; to promote companies which may seem calculated to benefit this company, etc.

STOCKS IN MONTREAL.

MONTREAL, Nov. 9th, 1892.

STOCKS.	Highest.	Lowest.	Total.	Sellers.	Buyers.	Average 1891.
Montreal	237	234½	597	236½	236½	236½
do. x. d.	233½	231½	250	233	232½	232½
Ontario	110	108½	10	109½	108	111
People's	110	108½	10	109½	108	107
Molson's	119½	119½	3	125	119	102
Toronto	164½	163	99	163½	163½	150½
J. Cartier	146½	145	185	147½	146	135½
Merchants	151	151	3486	155½	155½	114
Commerce	70½	67½	710	70	67½	50
Union	236	231	465	241	231	180
M. Tele.	224	221½	182	223½	223½	200
do. new stock ..	87½	86	3775	86½	86½	86
do. saw stock ..	109	109	\$10.0	109	109	107½
C. Pacific	89½	89	100	89	87	75
C. P. land b'ds ..	165	162	28	165	161	147
N. W. Land						
Bell Tele.						
Montreal 4% ..						

—A writer in the *Wood Worker* says in substance: "The true remedy for slipping belts is to make them wider or the pulleys larger." This makes fourteen words and is remarked by our contemporary, *Power*, as containing fourteen times as much sound suggestion as all the long-winded treatises on the subject that have appeared for a year past. The adhesion of any belt on fair pulley surface is quite enough without gum, perforations, coverings, or other devices.

—Mr. Alex. Cross, M.P., told a good story at the opening of the Parkhead Church bazaar on Thursday. In the Western Highlands he once saw a decent farmer fall into the water at the end of a pier. After much trouble he was fished out, and his wife said: "Providence was very kind to you, John." "Oo, ay," was the reply; "Providence was very kind, but I was very clever, too!"—*Dundee Courier*.

—The naval train from Vancouver to Halifax, via the Canadian Pacific railway, with 380 time-expired men from the Pacific squadron—360 sailors and 20 officers—arrived at Montreal Junction on Saturday, 29th October, and shortly afterward left for Halifax. It will return with 420 men and 28 officers, who have arrived at Halifax from England to take the places of those from the Pacific Coast who are on the way home.

—A Vancouver man is going to try the novel experiment of converting the skins of dog salmon into shoe leather. He says they are quite tough enough for light shoes.