

Mr. Beddall made some very pungent remarks in the varieties of unsound insurance available for those in search of a cheap article, as "wild cats" in packs meet such an one at every corner. The attraction of mutual insurance which is a prospect of participating in the profits of the business, he said, usually turned out the reverse, as instead of profits to be received, assessments had to be paid. Within four years 22 mutual companies have been organized in Massachusetts and New York, of which, said Mr. Beddall, "19 have gone where the woodbine twineth," or, as we should say, to the insurance cemetery.

Some caustic allusions follow, exposing the fraudulent devices of the promoters of "Lloyds." Thus in one prospectus the name of W. Young, Esq., capitalist, turned out to be Wang Yung, laundryman; Andrew Jackson, Esq., Fifteenth National Bank, was the colored porter of that institution, and Theophilus T. Cheatham, Esq., Inter-Ocean Express Co., was the driver of one of its wagons. "What's in a name?" asks the poet, but on a prospectus it seems a name is attractive "to the 'hayseeds' they are intended to allure, but are of no value in paying fire losses."

These concerns have purloined the title of almost every well known Company, even a "Royal" Fire Lloyds having been established with a manifest intent to trade on that honorable title. The Liverpool & London & Globe is said to have escaped because it would cost too much in type setting, paper and printer's ink. Out of 131 Lloyds, 89 have been closed, the only assets in one case being, "the office towel, a chew of tobacco and a toothpick." Mr. Beddall commends these facts to the notice of agents, as when they learn of a risk being placed in New York, they can assure the parties that this is the kind of insurance they have procured. Check and enterprise, says Mr. Beddall, are the essential requisites for the office of manager or attorney of a Lloyds, two of whom had qualified by a term in States prison. Still, there are sound Lloyds, few enough, however, to be "counted on our fingers, with several digits to spare," which makes their total number 4 or 5. Mr. Beddall has no fears of competition so long as rates are proportioned to hazards, and a margin of 3 1/2 cents on each \$100 of insurance written does not give much opportunity for cutting with any prospect of profit. In this remark Mr. Beddall hit upon the motive of all competition, which is to secure a share in business profits, men do not compete to reap losses. They may be in error in estimating the margin of profit they can secure, but their effort by competing is to secure some margin, and the smaller the profits being realized in any business the less opening there is for competition. Mr. Beddall then took up the question of guarding against losses by more expert inspection and selection of risks. To judge the safety of electrical equipment he said requires "scientific knowledge based on a close study of the subject." So decided a judgment by so eminent an underwriter should cause companies to hesitate in relying upon the opinion of those whose knowledge is not scientific, but empirical. "Privilege to make such alterations, addi-

tions and repairs and to do such work and to use such materials as may be necessary in the business," is a clause being commonly introduced. "By means of it every condition is waived prohibiting the use of dangerous materials, as benzine, benzole, ether, gasoline, naphtha." Thus, said Mr. Beddall, we, that is the companies, covertly sanction that which we dare not do openly. He detailed a number of industrial operations which required the use of the most dangerous materials, methods for the cautious use and safe storage of which should be suggested to the users. In this regard he advised a free exchange of information amongst inspectors and agents for their mutual advantage. In alluding to the adjustment of losses, Mr. Beddall told of an incident in his own life in which a mysterious fire occurred. "Had I lived in the Bowery, and my name had ended with 'ski,' I suppose I should have appeared in *Hunt's Fire Record* with an asterisk intimating that my misfortune had been of suspicious origin. As it was the Commercial Union paid the loss, and charitably kept my name out of the black book." Mr. Beddall considers the percentage of incendiary fires and of fraudulent claims as large, but not so large as commonly supposed. He advises agents "to be reasonable about checking claims, and not too hard in assessing the market value." This has long been the Royal's policy, and its liberality has had a rich reward. Sharp adjustment and a too technical construction of insurance contracts, he affirmed, "had done more injury to insurance interests than anything." The address closed by some earnest advice to agents and other insurance officials, to use every opportunity of acquiring practical knowledge of the business, and qualifying for higher duties by diligent study and faithful work.

THE UNDERWRITERS TO MEET AT NIAGARA.

The Canadian Fire Underwriters' Association has decided to hold its next meeting at Niagara Falls on 13th inst. The custom hitherto has been to hold meetings alternately at Montreal and Toronto. A form of inconvenience has been developed at both cities which called for some change. It was found that at each place the local members were being continually called away from the meetings to their offices, or to keep some appointment. Hence the attendance was very irregular. In such cases each man thinks one member "never will be missed;" but when a dozen or so of the local underwriters under this impression absent themselves from the meetings of the Association, the result is disagreeable to those who are in attendance. As the members in each city are in this respect equally to blame, it has been decided to hold a meeting where business is likely to be strictly attended to by all the members. This has given rise to reports of a sensational nature respecting the formation of an International Insurance League. The whole report about the International Insurance League to be organized at Niagara Falls to fix international rates is a creation of fancy.