

# The Chronicle

## Insurance & Finance.

R. WILSON-SMITH,

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### New Security Issues.

Although not equal to the amount offered for subscription to end of September in years 1900, 1901, 1902, the total of 1905 largely exceeds that of 1903 and 1904. The aggregate for 9 months this year is \$529,116,000, as compared with \$399,078,000 in 1904, and \$461,378 in 1903. In 1902 the total offered for subscription was \$638,329,000, so this year is only \$9,213,000 below that figure. In 1901 the amount was \$690,153,000, and in 1902, \$662,720,000, so the sum this year is rapidly rising to rank with the large ones of a few years ago.

### Stealing and Forging as a Joke.

One of the most amazing incidents in banking history took place recently in New York. A young clerk, who is well spoken of by his employer, having seen a package of securities handed out by a New York bank to a youthful messenger, who had presented a cheque to release them, conceived the idea of securing a batch of securities by a forged cheque in order, he declares, to prove how easy it is to rob a New York bank. He found it only too easy. He forged a cheque for a sum between \$300,000 and \$400,000, had this presented at a certain bank by a mere boy to whom was handed a bundle of securities representing a very large amount. He then returned the larger portion of them and has confessed that he committed this double and very heinous crime in sport—to show how easily a bank could be defrauded!

Certainly it was far too easy to do this. The bank officials who released a batch of securities under such circumstances are highly blameable. Granting the necessity for such arrangements as permit the rapid pledging and rapid redemption of securities, especially in a city like New York, where enormous transactions, involving millions, are conducted "on the jump" with a looseness that would stagger an old-time banker, it is quite obvious that,

for the protection alike of bankers, bank officials, their customers and the clerks of private firms, the honouring of cheques either for cash or for securities ought to be made less readily the means of committing crime.

The enterprising clerk who made this demonstration may think himself exceedingly fortunate if he escapes a long term in a penitentiary.

### New Zealand and British Fire Offices.

One of the dangers incident to a Government undertaking fire insurance business is being exhibited in New Zealand where a bitter feud has broken out between the Government and the British fire offices. The Premier has denounced the companies in violent terms. They are charged with having transferred their cable business from the Pacific Cable Company, with refusing to renew the policies of firms who are partly insured with the Government and practically prohibiting their employers from patronizing the State Accident Department.

This shows that when a Government is competing with a private company it is likely to exercise its authority as a Government in efforts to damage its private competitor. The situation in New Zealand can be better understood by imagining Sir Wilfrid Laurier, in his place in Parliament, denouncing the proceedings of certain fire insurance companies as "monstrous and immoral," because they chose to place their telegraph business with a company not in favour with the Laurier Government. The Government of New Zealand, so far reduced rates both of fire and accident business as to render it difficult to effect reinsurances. The State Department resorted to Lloyds when the British companies declined to reinsure Government risks and now Lloyds are dissatisfied, all of which accounts for the virulent attack on British fire offices made by the Premier of New Zealand.