

insurance companies of this class, by placing in their way insuperable difficulties, so radical and serious a measure can only be justified by proving that the continuance of these companies is detrimental to the public interest. To establish this point will, we think, prove to be a work attended with some difficulty.

The necessity of amending the system, and of abolishing it altogether, are entirely different matters; the one proposition may be admitted, and the other denied with all consistency. We have long contended that the practice of these companies as to cash policies should be regulated and restrained, but to cure the evil by killing the patient is not the way we would set about the work. And in view of all the facts, we deny that the mutual offices have done anything to forfeit their right to existence, or to bring them into public odium or public contempt. They have paid their losses, or have reasonable prospect of paying them; they have insured the farmers' property very cheaply, and saved thousands from ruin who would not have been insured at all if they had to seek insurance in stock companies which did not cultivate that class of business. They have not, taken together, been unduly litigious or obstructive; they have been conducted with singular economy, and the people of the country have profited by that economy. We do not see therefore, on what ground it is proposed by the Local Government, as representing the public interest, to annihilate these companies.

If it be replied that the intention is not annihilation but improvement, then the Bill ought to be amended in several important particulars. Some of these we indicated last week. We do not anticipate that any reasonable attempt in this direction would meet with the strenuous opposition of the companies themselves. It would certainly have none from us. If the companies are allowed to issue cash policies, they ought to raise a cash capital, proportionate to the amount of their risks of that class. And if the working of the cash and mutual systems together by the same company be deemed impracticable or undesirable, then let the offices have a certain time to decide which of the plans they will adopt, and to adapt their operations to the change. As their policies are mostly issued for three years, no complete change could be effected without hardship in less than that time. This is the most important point involved in dealing with the question. Were it once properly disposed of there would still remain several serious objections to Attorney General Crooks' Bill. Several of its clauses are so worded as to hamper the companies in carrying on even a purely mutual busi-

ness. These points we shall not stop to specify, as they would naturally come up in any attempt to amend the Bill. Should the Government insist on carrying it through in its present shape, the smaller objections are lost in the greater; and the companies affected can only fight against it as they would for their very existence.

We trust the Attorney General will accept good counsel, and embody at the subsequent stages of the measure such amendments as will remove at least the most obnoxious features, and relieve him from the odium of attempting to crush out of existence the mutual fire insurance companies of Ontario.

**CITIZENS INSURANCE COMPANY.**—The management of this Company complain that we should have designated it a "wild-cat" institution in our issue of 27th December, 1872. The term "wild-cat," as applied to financial institutions, had its origin in the United States, as every one knows; and has been applied to such undertakings as have been set on foot and conducted without that proper and substantial money basis which, according to recognized rules, is necessary to ensure the performance of their obligations. This is the sense in which the term is used in the article complained of. The meaning is clearly apparent from the connection, and no one reading the article could mistake the point at which our criticism was directed, viz., the insufficiency of paid-up capital. And we still maintain that a cash capital of \$10,000 is not a sufficient basis for four kinds of insurance business—Fire, Life, Accident, and Guarantee. It is in reference to life insurance that our strongest objections to the Citizens lie. We contend that the Directors ought not to issue life policies and leave the funds necessary to ensure their payment open to the vicissitudes of sweeping conflagrations; and that they ought to sacredly set aside a life fund to meet these policies when they become payable. Until they do this we must insist that their mode of doing business is unwise, and leaves us open to use, without impropriety, any terms which will correctly represent the facts. The Company have, through their solicitors, intimated that they will bring an action for libel against us, unless we publish an apology, to be dictated by them! If we were conscious of wrong-doing, an apology would be at once made; but then we should prefer to write it ourselves. The foregoing is the only apology we think necessary. If this is not sufficient for the Company, and they are determined to have their affairs ventilated before a judge and jury instead of in our

columns, which have always been open to them freely, we are content to abide the issue. Such a course would amount to a confession that their only hope of vindicating themselves is by attempting to intimidate us.

**A GOOD MOVE IN LIFE INSURANCE.**—The officers and agents of Cleveland, Ohio, have formed an association, the objects of which are to promote good-will, fair dealing and harmony among its members; to prevent the evil of cutting rates by throwing off commissions; to protect the general interests of all the profession by making a persistent effort to induce all life agents to cease the injudicious, despicable, unmanly practice of traducing the characters of other companies by unjust comparisons, deceptive statements, or garbled reports. Such a movement to get rid of the disgraceful practices mentioned is deserving of encouragement and of imitation in other quarters.

## Insurance.

**FIRE RECORD.**—Montreal, Jan. 18.—A destructive fire took place in the four story building of Pierce Joly & Co., wholesale grocers, St. Paul Street the upper part was almost totally destroyed; but the three lower flats were saved with their valuable contents only partially damaged. During the fire the iron on the roof became red hot and an unexpected avalanche of snow came down with a rush, some of the firemen having a very narrow escape from being crushed beneath it. The wholesale leather store of Mr. Delorme adjoining, was also damaged to some extent, and the stock seriously injured by water. He is partially insured in the Northern. Messrs. Joly & Co's stock is damaged to a great extent. They are insured, however, in the North British and Mercantile to the amount of \$18,000. The building is insured in the Royal for \$5,000. The entire loss is estimated at \$10,000 to \$15,000. The origin of the fire is unknown.

Dartmouth N. S. Jan.—A fire broke out in a house near the Marine Railway occupied by Jno. Allan and destroyed it.

Norwich, Jan., 10.—The tannery of John Douglas, was totally consumed by fire with the stock. An adjacent barn, with a quantity of hay and straw was also destroyed. Total loss \$2,800; insured in the Gore and Waterloo companies for \$2000.

Montreal Jan. 19.—A fire broke out in the premises of Henderson book seller and Henry Wait, butter merchant on Bleury street, but was extinguished without very serious damage, partially insured.

Port Hope, Jan. 18.—A fire broke out in a storehouse belonging to Mr. Willis, wool-broker, which was soon burned to the ground. It contained about 8,000 lbs. of wool, which was totally destroyed. The property was insured for about \$8,000. The fire is supposed to have been the work of an incendiary.

—The mayor of Boston, in his annual message, delivered on the 7th inst., gives the whole number of buildings destroyed by the great fire as 776, of which 709 were brick and stone, and 77 wood. Their value is stated at \$13,591,000; and the value of their contents destroyed at \$70,000,000.

—The Excelsior Life Ins. Co., of this city, has to-day reinsured its risks in the "National Life," of the United States.