

EFFECTS OF WAR ON FIRE COMPANIES.

The European war, if at all prolonged, may possibly produce a very important effect on fire underwriting practice in the United States, says the *Boston Standard*. Important companies have already begun to write with greater conservatism, are reducing the size of their lines and also the amount at risk in congested areas. To what extent this will become a general and established practice is an interesting question. For it may mark the first step towards the abandonment of the policy of writing jumbo lines, a policy to which are attributed practically all of the grievances of which agents complain—overhead writing; underwriters' agencies; the growth of brokerage, and the diversion of a large volume of premiums from the smaller American to the foreign reinsurance companies, with the result that a number of the former have been compelled to withdraw from the business, which threatens to become monopolized by the companies sufficiently long established to have been enabled to build up a strong agency plant. In any case, it will mean the cession of a very considerable volume of business to other companies—that is to say to the smaller American companies disposed to write it. The present conservative policy of underwriters will also increase the difficulty already experienced by large insurers in securing adequate coverage. The public does not appear to realize that the capital invested in American fire companies and the United States branches of foreign companies is insufficient to enable them to supply all the fire insurance needed by American citizens, even when business is being written freely. This inadequacy of fire insurance capital is being to-day emphasized. And the situation is largely due to the attitude toward fire insurance companies of the public itself. Notwithstanding the smallness of the profits actually realized, the uncertainty of any profit at all and the great risk run of losing the capital invested, all of which makes the fire insurance business an unattractive one to investors, state legislatures and state insurance officials are constantly making it still less attractive by imposing unnecessary and harassing conditions upon its transaction. So long, as a matter of easily verified fact, as the profits of the business remain small and the public is therefore not being charged any too much for the insurance, why not allow underwriters to conduct their business unmolested along the lines which their experience has shown the most practical.

MUTUALIZATION OF THE PRUDENTIAL.

The mutualization of the Prudential appears to be within measurable distance of becoming an accomplished fact. The court has accepted as a reasonable one, the value set upon the company's stock by the appraisers appointed for the purpose, no protest has been filed against the appraisal by any of the stockholders, and their decision to offer the stock at its appraisal value to the policyholders may be taken for granted. If the offer is accepted the mutualization will be effected as soon as a few minor legal questions have been disposed of. There will then be an end to the constant attempt of a minority of the stockholders to loot the company's funds. It will be remembered that their most audacious attempt in this direction aimed at nothing less than the acquisition of the entire surplus and that this design was fought vigorously in the courts by the management.

MILLIONAIRE INSURANCE ORGANISATIONS.

Statistics compiled by the *Insurance Press* of New York, show that there are 349 millionaire insurance companies in the United States and Canada having aggregate assets of \$5,834,585,083. The life insurance companies head the list, owing to the enormous accumulations they have to hold to meet their billions of obligations at maturity. Twenty-two of them outrank the largest fire insurance company, while the first casualty company does not appear until number fifty-seven is reached.

The following summary by the *Press* shows how the grand total of over \$5,830,000,000 is divided among the different classes of companies:

114 Life companies.....	\$4,866,190,792
115 American fire and marine companies....	533,374,430
39 Fraternal orders.....	164,005,169
45 Foreign fire and marine companies.....	142,855,283
36 Casualty and surety companies.....	128,159,409
Total.....	\$5,834,585,083

The four leading companies are the New York Life, \$748,497,740; Mutual of New York, \$607,057,045; Equitable of New York, \$525,345,619 and Metropolitan of New York, \$322,769,320. The leading Canadian companies are the Sun Life and the Canada Life occupying the eighteenth and nineteenth positions, respectively. The I. O. F. is top of the fraternal in the thirty-second position.

CANADIAN ACCIDENTS DURING JULY, 1914.

Trade or Industry.	Killed	Injured	Total
Agriculture.....	7	18	25
Lumbering.....	8	8	16
Mining.....	12	20	32
Railway construction.....	2	9	11
Building Trades.....	10	59	69
Metal Trades.....	7	62	69
Woodworking Trades.....	2	18	20
Printing and Allied Trades.....	1	1	1
Clothing.....	1	1	1
Textiles.....	1	1	1
Food and Tobacco preparation.....	1	7	8
Transportation—			
Steam Railway Service.....	15	97	112
Electric Railway Service.....	2	6	8
Navigation.....	4	6	10
Miscellaneous.....	1	22	23
Public Employees.....	2	16	18
Miscellaneous Skilled Trades.....	2	21	23
Unskilled Labour.....	6	34	40
Total.....	81	406	487

MUNICIPAL FINANCING.

A statement has been issued by the Finance Department at Ottawa calling attention to the fact that arrangements made in recent emergency legislation for Dominion notes to be issued to the banks against the deposit of approved securities will be of service to the municipalities since there can be no question of the value as collateral of the securities of Canadian provinces and the larger cities and municipalities. It is estimated by the Finance Department that the outstanding issues of treasury bills by these authorities exceed \$30,000,000.

The Bank of England continued its 5 per cent. official rate yesterday.