

Correspondence.

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TORONTO LETTER.

The New Ratings in Toronto a little Worrying.—Agents do not like the Changing of Rates.—Something about a Rumour.—Would the Non-tariff Offices be Advantaged by Forming a Union?—Once a Roman always a Roman!

Dear Editor:—The recent upheaval of Toronto city ratings and the consequent extra bother, and sometimes extra office work, not to speak of explanations to be given to the policy-holder, are not an unmixed advantage to the Agent who lives by commission. At least not to all. I can well understand that, in the mild scramble and general re-arrangement of premiums and policy wordings, it is possible for a live Agent, well posted and keen, to regather to his fold many lost sheep, waifs and strays, who, under one pretense or another had taken up with later friends, all naturally tending to the pecuniary advantage of such an one. There are, however, others who will secure (if not a harvest) rich gleanings from a field into which they are new comers, and which they did not cultivate, I mean the later launched non-tariff offices. The re-rating, re-adjusting, disturbing now going on under the Toronto Board Officials affords opportunities that we may be sure are taken full advantage of. So much to the loss of the Board Agents.

There is likely, I may almost say certainly, no truth in the rumour that during the present year the non-tariff offices for their mutual benefit intend forming themselves into an Association. There are over a dozen of them eligible as cash premium takers for such a union. It is not quite clear to me, supposing such a plan to be contemplated, what the individual gain would be in an Association of the kind referred to. I can, however, surmise. There are, I believe, always lower deeps, even in non-tariff rates, as we know and hear of them, and it is just possible that feeling the folly and hazard of an unwise and wild competition among themselves, now about being inaugurated, it would be suggested to the thinking men that a mutual agreement would be desirable. Some understanding might be reached whereby a minimum scale of rates would be agreed upon for certain classes or kinds of insurance risks, leaving dwellings and the generally choice business open to the rating of the individual company. Evidently, as matters are at present, about any rate will do, that suits the Manager of a non-tariff office, so that if he be of an extra cautious kind, he will not go far off the orthodox, to wit, the Board rate. Per contra, if he is after business, and venturesome, he will just do the best he can, subject to taking the risk. There are some secondary advantages such an Association would afford to its members, by bringing together its members, say, for mutual discussion and interchange of ideas, if such were desired. As a united body, a certain status would be assured to the companies, members, thereof, in the public mind. I have heard it said that union and united action amongst non-tariffs was difficult of accomplishment; 1st., on account of strong rivalry and jealousy; 2nd., because so often the Managers and the controlling powers of such companies had nearly always been at some time or other officials of and learned their business in tariff offices, and it was mostly true of these men that

at heart they had really tariff instincts and learnings. If not feeling strongly so at the outset of their career as time went on, and perhaps under stress of a large fire loss list, they have likely shown decided symptoms of a wish to return to their Alma Mater. There may be some truth in this. It has been said that a man who has served his time as a soldier in a British or other regiment never thereafter wholly loses the firm tread, carriage and military bearing bestowed by his earlier career. So, educated in and accustomed to the trend of thought, and the working ways of a large tariff company, for a long time to come, if not always, there must be, I think, a little of the old leaven left in a man. Shall I say it? Perhaps, too, in his secret heart there lurks an aspiration that some day under his careful, successful management he may find his company so well established that he can ask the Directors to join the ranks of the Associated Companies, so taking a better position, a higher rank in the insurance world.

Yours,

Ariel.

Toronto, 24th April, 1899.

LONDON LETTER.

13th April, 1899.

FINANCIAL.

Sixty-six new companies, etc., came out for public subscription during March with a total share and debenture or loan capital of over 103 million dollars, which shows a continued improvement, February having given us 45 issues capitalised at about 85 millions. The record for the first quarter of the year completed March 31, is, however, behind the figures for the first quarter of last year. The three months this year have yielded 144 issues with a total capital of 255 millions, whilst the analogous period of 1898 yielded 176 issues and over 302 millions of capital.

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March is always a favorite month in the promoters' calendar, and the increase of business is more on the side of public companies than of colonial or other loans. Loans show a decrease. One curious fact about the March promotions is in the case of the Park Steel Company. People are still wondering why the preferred stock of this famous Pittsburg, Pa., undertaking was brought across here for disposal, considering the fine market there is for these things now in the States.

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Amongst new movements in the world of finance, one is particularly exceptional, and indicates a much higher state of commercial integrity and honesty than many people endow the city with. The Mexican Esperanza gold mine was floated, and upon the strength of a good prospectus with reports by Bradley and others upon the paying possibilities of the mine, the capital was over applied for. When this had occurred, a cable came from Bradley in which, in effect, he said that the ore was getting poorer as they tested further, and it could not pay profitably with capital of \$4,000,000. In a note in which the directors regret that they were not informed of this sooner, they inform subscribers that, as soon as the checks can be made out, all money subscribed will be returned. This is the kind of thing that restores public confidence.

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With the wearing off of the holiday tone, the markets begin to liven up. Industrial securities are rising higher and higher in popular favor. Textile combina-