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THE

Insurance and Finance Chronicle.

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IN OUR LAST issue we presented in an analytical table a classification of the character of the securities in which the life companies of Canada and the United States have their assets invested, and called attention to the large percentage of railway and kindred fluctuating securities held especially by the latter. Our comments on the questionable character of such investments, where extensive, by insurance companies have been strongly emphasized during the few days past in the rulings of the stock markets in New York and London. The American railways, on the 15th ultimo, marked a decline in stock quotations, as compared with the highest quotations of the year, of from 7 to 28 per cent., only four out of twenty roads having a decline of less than 10 per cent., the others ranging from 17 to 28 per cent. decline. The decline in the stocks of the Canadian railways is well known, while even those of Great Britain, proverbially strong, mark a decline since May last of from 5 to 14 per cent., the average being somewhere about 9 per cent. These facts carry their own comment.

COMMENDABLE STEPS HAVE been taken by the wholesale dry goods section of the Toronto Board of Trade, to protect its members from loss through failures among a class of their customers. This class of retailers is made up of those who neglect to insure adequately or not at all, and who, when loss comes, are clamorous for a compromise with their creditors. The wholesale dealers have agreed upon and sent out a

circular notifying the retailers that, in consequence of the serious losses sustained because of fires, they will not hereafter "accept any compromise from their customers, when it is found that the failure has been caused through insufficient insurance." In furtherance of this object, the notification states that the minimum amount of insurance on the stock and buildings must be at least sixty per cent. of their value. Some complaint is made against this action as arbitrary and oppressive, but we opine that the complainants are mainly those whose custom the wholesale dealers can best do without. A prudent and honest retailer, who is obliged to ask for credit, will not neglect ample insurance, both for his own sake and that of his creditors.

THE HABIT OF looking upon all fire insurance companies as legitimate subjects for plundering by legal enactment, as well as the political demagogery which is at the bottom of much of the adverse legislation from which the business suffers, is well illustrated in the new law of the State of Missouri doubling the tax on premium receipts. The *St. Louis Republic*, a partisan daily, congratulates the party in power on this great achievement, by which some \$50,000 are added to the revenues of the State, and says that these results sustain its oft-repeated declaration that "our party" is the friend of the people and the foe of corporations. With the fact before them that during last year fire insurance premiums in the United States and Canada, taken as a whole, yielded scarcely two per cent. above losses and expenses, the people who cry out against all aggregations of capital, except their own, as a monopoly, and egged on by demagogue politicians, delight in crippling the only efficient means for protecting their property from dead loss because the companies are "corporations." They will learn of their folly some time.

IN FIRE UNDERWRITING management long credit is a well known but not easily corrected evil. Much has been written and said about the necessity for its correction, and various methods have from time to time been suggested. On the Pacific Coast the credit evil had assumed such proportions that it was felt some weeks ago that something must be done, and at once,

of a practical, corrective nature. Accordingly the Fire Underwriters' Association issued a circular inviting suggestions from all quarters for the suppression of the practice. A good many methods were proposed in response and referred to a strong committee, who, after due deliberation, have reported a plan designed to inaugurate a speedy reform. In substance the plan requires that a pledge be signed by at least three-fourths of the members of the Pacific Insurance Union, that monthly reports and remittances of all premiums shall be made by agents on or before the last day of each month following the month in which the policy was issued, and that in case of a failure to so remit and report, a notice shall at once be sent the agent, and in the absence of a satisfactory response a final notice shall be given the assured that the policy is cancelled for non-payment of premiums. A uniform notice to agents is to be used by all the companies. The plan is all right. Its execution is the important thing.

THE OPERATION OF the laws in New York and most other States governing—or, rather, misgoverning—the winding up of life assurance companies is again illustrated. Mr. Henry R. Pierson was, about a dozen years ago, through the favor of the State insurance superintendent and the court having the appointing power, appointed receiver for some half dozen companies altogether. He died in January last insolvent, as it is claimed, and it now transpires, upon the report of the referee appointed to examine his accounts as receiver, that his estate owes the receiver appointed as his successor about \$35,000 belonging to three of the companies he has been trying *not* to wind up since March, 1877. After twelve years of skillful “receiving” on the part of himself and his friends,—under forms of law, of course—during which very little disbursing was done on policyholders' account, \$35,000 were “absorbed,” in addition to the very liberal fees and commissions falling to the receiver's share. We again repeat, that a legal system permitting—in effect encouraging—the delays and pilferings belonging to the life assurance receivership system of the State of New York is a disgrace to civilization.

WE CALLED ATTENTION in our last issue to the arrangement entered into between the members of the British civil service and the North British and Mercantile insurance company, by which the latter undertakes assurance on the lives of the former. In our London letter, on another page, will be found a more extended consideration of the matter which will well repay perusal. As we anticipated, the arrangement referred to calls out a good deal of adverse criticism from all quarters, and the company will doubtless have something to say in explanation. The two specially objectionable features of the agreement seem to us to be the granting to all civil service insurants of a fifteen per cent. commission on all renewal premiums, and the acceptance of applicants without further medical examination. A liberal commission on first premiums could be safely granted, under the circumstances, and

even the minimum renewal allowed to agents might be permissible; but to mortgage the premium income indefinitely to the extent of *fifteen per cent.* would manifestly be a reckless proceeding, if carried out extensively. Then, the medical examinations for entrance to the civil service have very little protective significance. Examinations, by the same medical man, for life assurance and for government service would manifestly be put on very different grounds. The one is merely a question of physical ability to perform certain prescribed duties, the other a question of vitality affecting the average, which is the keystone of the arch on which the strength of life assurance depends. The conscientious examiner appreciates the distinction and acts upon it. Selection against the company is likely to be the result.

IS DEATH BY sunstroke an accidental death? Referring to the case of Dozier against the Fidelity and Casualty company, in our last issue, we said very emphatically that in our opinion it was. To this assertion *Insurance*, our New York contemporary, takes exception, and at great length attempts to prove our opinion to be unsound. We are quite content to await the ultimate decision of the courts on the question, but in the meantime we may suggest that to us the question seems to be a very simple one. All death, except by suicide, is caused either by disease working in the system with gradually destructive tendencies or by extraneous and irregular causes operating unexpectedly, which we call accidental. Cholera or diphtheria may cause speedy death, and are recognized diseases; drowning may cause sudden death and is recognized as accidental. Is sunstroke a disease? Hardly. It is an extraneous cause producing sudden death by paralysis of the vital powers, just as drowning is an extraneous cause producing death by strangulation, or as electricity is an extraneous cause producing death by a lightning stroke. This is the whole case in a nutshell, as we view it; and until *Insurance* demonstrates that sunstroke is a disease, we shall be obliged to place it in the category of accidental causes of death with drowning, suffocation by gas, unintentional poisoning, and sundry other causes having no connection whatever with disease.

AN ARTICLE QUOTED from a daily paper connects *Lloyd's List*, first published as a little two-page sheet in 1726, with *Lloyd's News*, which, it says, was started in 1692 by Edward Lloyd of London coffee-house fame, and of which it says *Lloyd's List* was the successor. On the strength of this statement it is claimed that “insurance journalism, instead of being a mere outgrowth of insurance, was the foundation on which marine insurance was reared,” and that “in two years more will come the 200th anniversary of its birth.” Several of our contemporaries have quoted this article approvingly, under the delusion that they were giving currency to a historic fact, with its deductions; whereas the “facts” stated are not facts at all, and the claim for the antiquity of insurance journalism is ridiculous in the extreme. The fact is, that *Lloyd's News* was

started in the summer of 1696, and not in 1692, as a gossip two-page sheet, issued thrice weekly, and was discontinued in the following February. Thirty years later *Lloyd's List* appeared, but for many years had no special connection with insurance matters. It was a convenient weekly purveyor of news pertaining to the trading world in which the patrons of the coffee-house moved, those interested in shipping interests being probably most numerous. Even the *Lloyd's List* of to-day can scarcely be called an insurance journal, in a broad sense. Insurance journalism proper is old enough to go alone and strong enough to stand on its merits, without claiming for it a spurious and absurd antiquity. For our part, we do not worship mummified specimens of any kind, nor glorify musty mediocrity merely because it is old. The intellectual achievements and material resources of this nineteenth century world are of quite enough importance to command our admiration and to absorb our attention.

THE AMALGAMATION CRAZE.

It is interesting and even sometimes very amusing to note the prominence in the human cranium of that organ which phrenologists call imitateness. It is by no means an abnormal development of childhood, but pertains conspicuously to us grown up mortals. What we call fashion is only the full-blown flower of imitateness, and is not at all confined to the cut of our clothes and the fearfully and wonderfully made bonnets of our wives and daughters, or to the customs of society to which we yield a willing bondage. Commercially, as well as socially, we are a great people for asserting, sheep-like, our independence and originality, by eagerly following the lead of some self-constituted bell wether of the human flock, and scramble nimbly to see who shall get over the fence first after the leader. The insurance world, though inhabited by a set of brainy and tolerably independent good fellows, is no exception to the above remark. Examples of new plans of business or methods of administration are caught up and widely imitated, and opinions freely echoed, not always because they are the best plans or the soundest opinions, but more often because of the prevailing impulse to do a thing because somebody else does it.

We have had a good many fashions in insurance, both fire and life, first and last, but just now the prevailing craze is to suddenly develop bigness. The short cut to this achievement naturally lies in the direction of the amalgamation of two or three or half a dozen companies, which may or may not be a good thing to do. Just now the air is full of rumors of amalgamation designs, founded, for the most part, on no better reason than that there have been two or three conspicuous examples during the past few months sufficiently important to set the fashion. The history of insurance, both in England and in America, has demonstrated quite frequently the wisdom of uniting two or more companies, because greater strength and efficiency was needed than either possessed separately. Where two sound but comparatively weak companies can be so wedded together as to make one safely strong one, there can be no reason why anybody should forbid the

banns, but every reason why the union should be encouraged. The record of insurance in Great Britain during the last fifty years has notably been one of amalgamations, and several of the larger companies of to-day have become such by amalgamations and re-insurances, while a score of less large but thoroughly sound and strong companies have grown more by the absorption of other companies than by the accretions of current business. Of 188 companies, good, bad and indifferent, listed by the *Post Magazine* not long since as existing in 1840, but 87 are now in existence, about 20 of which are exclusively annuity and pension companies, or devoted to limited specialties of some kind. Of the entire list of 188 some 60 went the amalgamation road, and the other non-existents went to the insurance boneyard. Some of these amalgamations and absorptions were wise and some were otherwise, just as some of later date and others in the future have been and will be of the same mixed character.

The friends of all sound underwriting are the earnest advocates of companies sufficiently large to handle a line of business distributed over an extended field, and with sufficient funds to inspire confidence and give prestige while affording ample security. That these requisites may be as effectually found in a company with five to fifteen millions of dollars of sound assets and an ample reserve, as in one of twice or thrice the size, is well known, however. Indeed there are a good many smaller companies which are also among the very best, alike for policyholders and stockholders. It is well, doubtless, that there should be now and then a company financially strong enough to do a world-wide business; but neither the underwriting situation nor the pockets of the stockholders require a wider field of operation in general than is sufficient to afford a healthy general average. It is a mistaken notion which a good many people have, that mere bulk is synonymous with strength among insurance corporations, though these same people do not easily mistake superior size for superior eatable value when they choose between a pumpkin and a peach. Diamonds are not so large as chestnuts but they are considered rather more valuable by a majority of mankind. An insurance company—and we have some such—may be very strong as well as very large, but it is well to remember that greatness has its perils. A turreted castle or a giant tree are more apt to be struck by lightning than a cottage or a rose bush.

It is really of prime importance for the directors and managers of some of the companies which are said to be on the amalgamation slate, to keep in mind the fact that the great mass of the people in England and America are not in love just now with movements for the aggregation of capital, and that grasping greatness may challenge a fatal hostility. The race for bigness by amalgamation methods may seem to the promoters to be desirable; but we offer the friendly suggestion, that in movements of that kind it will be wise to consider the ultimate as well as more immediate result. It is also well to bear in mind the fact, that a reduction in the number of existing companies by amalgamation does not really

serve to reduce competition, however desirable that is conceded to be. The history of insurance is conclusive as to the fact that consolidations are always followed by new creations, a crop of new companies springing up of greater or less calibre to take the place of those eliminated. We trust that the prudence of the maxim, to let well enough alone, will not be overlooked by our good friends who are in the current of the amalgamation agitation.

ASSESSMENT AND LEVEL PREMIUM MORTALITY.

The theory of assessment life assurance is, that on account of the large accession of new lives, the infusion of "new blood," the death rate will show but a slight increase, and that the assessment rate from year to year will therefore show but a slight increase. Facts, however, demonstrate that this theory is only a pleasant fiction, and that those associations favored with the largest continuous new business invariably record a steady creeping up of the mortality rate. When tried by the rigid scientific test applied to level premium companies, viz., the consideration of years of exposure, deaths, and resulting death rate for a series of years, it is found that the leading assessment companies, so far from securing exemption from the unvarying law of mortality by some mysterious legerdemain, show a larger increase in the rate, even for the first dozen years, than the level premium or reserve companies. That this is so we call in evidence a published tabular statement by Actuary Walter C. Wright. We append the experiences of the following from one to eleven years, inclusive:—

Year of Assurance.	Mutual Life. Death Rate.	Mutual Benefit. Death Rate.	Connecticut Mutual. Death Rate.	Australian Mut. Prov. Death Rate.	30 American Offices. Death Rate.	12 Assessment Cos. Death Rate.
1	65	75	78	60	82	38
2	70	86	81	62	93	66
3	85	97	87	62	1.01	83
4	93	1.06	94	78	1.09	93
5	1.01	1.10	1.03	75	1.14	1.02
6	1.03	1.02	1.10	83	1.18	1.14
7	1.11	1.13	1.11	97	1.23	1.26
8	1.00	1.19	1.18	1.15	1.19	1.41
9	1.15	1.14	1.23	1.00	1.24	1.56
10	1.22	1.37	1.23	93	1.28	1.69
11	1.42	1.31	1.29	1.16	1.34	1.80
Total.	1.01	1.08	1.05	86	1.13	1.17

Here it will be observed that, while the assessment associations experience the inevitable increase of mortality which comes with increasing years, and for which the level premium system provides by its reserve accumulations, that increase is much more marked than in the experience of any individual company named or of the thirty American offices combined. In the sixth year the assessment companies' death rate exceeds that of the four companies given, in the seventh it exceeds the thirty companies, and goes on rapidly increasing up to the eleventh year, when it is higher by more than one-third than the average of the combined thirty companies. If we take the average of the last five years given, we shall find that the rate of the thirty companies is 1.25, as against 1.54 for the assessment companies; while the Mutual Provident of Australia is 1.04, the Connecticut

Mutual 1.21, the Mutual Benefit 1.23, and the Mutual Life 1.18. This comparison of experiences demonstrates not only that increasing mortality relentlessly follows the increasing age of insureds without respect to plans or promises, but that the selection of lives by the assessment associations is evidently made with less care than by the regular companies, as indicated by the more rapid increase in the death rate of the former. Inasmuch as the years of life exposed to risk, from which the above results are deduced, were considerably more at the commencement for the twelve assessment companies than for either of the four companies considered, it will be seen that the data for correct conclusions as to them was ample.

THE ROYAL-QUEEN ALLIANCE.

At this writing, there is nothing especially new concerning the proposed alliance of the Royal and Queen insurance companies. Comments on the situation are abundant, however, in our English exchanges. As samples of much that is said, we append two extracts from correspondents of the *Insurance Record* of London for October 17. The first, from "An Actuary," says:—

No sufficient reason has yet been advanced why the companies should coalesce. No official intimation has yet been given to the shareholders that a change was impending, and it is therefore not surprising that the projected union is regarded as more to the advantage of speculators for the recent rise than as beneficial to the true interests of permanent investors and, perhaps, of insurers.

Another correspondent, and who subscribes himself "Shareholder," says, referring to a former correspondent:—

It is true, as stated by your correspondent, the loss of the Royal is lower than that of the Queen; but the latter company having found the secret of success, viz., getting rid of and avoiding proved bad business, would year by year improve her position. Within the last three years these shares have risen some 122 per cent., as against a rise in the Royal's of 51 per cent. Why, therefore, this amalgamation, when we are on the right road to success and well able to hold our own? Having carefully gone into this matter, I cannot help thinking that there is great weakness both in the board and management in entertaining the idea, and trust that the shareholders will endorse this by voting against the amalgamation.

It may, we think, be regarded as certain that the shareholders of both companies will ratify whatever action the directors may recommend, and it is likely that the Chancery proceedings, afterward required to consummate the consolidation, will be favorable. Mr. E. F. Beddall, United States manager of the Royal, who returned last week from Liverpool, is credited with stating that the United States branch of the Queen will probably be continued for a considerable time substantially as at present. He also intimated, that a big American company might be organized, backed by several millions of Liverpool capital, which of course means the Royal-Queen pushing for American business under a new organization. It will be some weeks before the definite moves on the chess-board will be seen by the public eye.

CAN CORPORATIONS BE LEGALLY INSURED UNDER MUTUAL POLICIES?

Nothing in the able address of President Sheldon, at Chicago, deserves more attention than the suggestion thrown out in the following few sentences:—

Looking at the position of the manufacturer himself, are there not reasons why, other things being equal, he would much prefer to be in a stock insurance company than go into a mutual company? In the first place, a large majority of the members of our leading mutuals are corporations. They may be represented in the membership by the treasurer or other officer, but really the corporations themselves are members. At the present time courts are holding corporations strictly to the powers specified in their franchise, and it is a fair question for discussion whether, by becoming members of a mutual organization, and thereby virtually insuring their fellow members, they have not violated their charters and assumed obligations not contemplated in the laws under which they act. The liability incurred by such action on the part of these corporations is an uncertain one, and their managers much prefer to simplify their relations to this matter, if, with justice to their trusts, they can be fully indemnified and cared for by the stock companies.

At first sight this may look like the mere argument of an astute lawyer, thrown out to frighten corporations away from mutual insurance. But suppose, what is certainly a possible if not a probable case, that one of these mutual corporations through bad management should become unduly loaded with a poorer quality of risks. By one of those coincidences so familiar to un-

derwriters, a succession of heavy losses throws the burden of a large deficiency on the members. The funds required to meet such a deficiency will absorb the expected dividends of the corporation insured. It may even impair the capital, or threaten insolvency. Are the stockholders going to stand idly by and see their money diverted into an insurance fund for the payment of losses by fire? They would argue, and argue rightly, that they were not engaged in the insurance business, and that neither they nor their charter had ever authorized the officers to assume such responsibilities. We doubt whether there is a corporation to-day insured under the mutual system which would not contest the legality of any insurance demand which threatened its prosperity.

If this be so, not only the corporations, but the private manufacturers, are at a disadvantage. The latter are guarantying a class of risks whose reciprocal guaranties are of doubtful legal value. The so-called mutual organization is a one-sided affair, in which one party is reaping the advantages of mutuality at the expense of the other. As officer of a manufacturing corporation, we should certainly be unwilling to assume the responsibility of bonding its capital stock for insurance losses without sound legal advice and the consent of the stockholders.—*Insurance Monitor.*

VALUES OF BRITISH INSURANCE STOCKS.

Average price (per cent. of amount paid up) for the several periods named.

COMPANY.	Capital paid up.	Amount subscribed per share.	Amount paid in per share.	1880.	1885.	1889.	1890.		
				Per cent.	Per cent.	Per cent.	Per cent.	Oct.	10
Atlas Assurance	£ 144,000	£ 50	£ 6	285	258	371	413	Oct.	10
British and Foreign Marine	200,000	20	4	506	576	571	563	"	13
Caledonian	90,000	25	5	£79	410	640	650	"	9
City of London Fire	200,000	10	1	.....	50	30	23½	"	8
Commercial Union	250,000	50	5	440 p.c.	320	300	675	"	13
Edinburgh Life	75,000	100	15	267	280	110	.....	.....	.....
Employers' Liability	100,000	10	2	.....	87	177	187	Oct.	10
Guardian, Fire and Life	1,000,000	100	50	139	613	678	186	"	13
Imperial Fire	300,000	100	25	610	241	400	760	"	13
Lancashire	272,986	20	2	419	241	400	450	"	9
Life Association of Scotland	£7,500	40	8¼	313	354	424	395	"	13
Liverpool & London & Globe	391,752	20	2	941	1270	2000	2500	"	13
London Assurance	448,275	25	12½	504	382	440	420	"	13
London & Lancashire Fire	185,200	25	2½	260	237	630	765	"	13
London & Lancashire Life	20,000	10	2	.....	225	213	412	"	13
Manchester Fire*	100,000	20	2	.....	.....	250	437	"	13
National of Ireland	100,000	25	6¼	.....	.....	170	.....	.....	.....
North British & Mercantile	625,000	25	2	.....	.....	752	876	Oct.	10
Northern Assurance	300,000	100	10	475	425	640	735	"	10
Norwich Union	132,000	100	12	1030	778	783	.....	.....	.....
Phoenix Fire † .....	.....	.....	.....	£307	£212	£275	£266	Oct.	10
Queen, Liverpool	180,035	10	1	388 p.c.	241 p.c.	575 p.c.	825 p.c.	"	13
Royal, Liverpool	289,545	20	3	929	1017	1616	1986	"	13
Scottish Union & National (A)	237,705	20	1	366	275	375	400	"	13
Do do (B)	12,459	10	3¼	.....	.....	373	.....	.....	.....
Standard Life	120,000	50	12	621	418	442	450	Oct.	9
Star Life	5,000	25	1¼	1120	1320	2720	.....	.....	.....
Sun Fire .....	.....	.....	stock	.....	.....	£450	£453	Aug.	13
Sun Life	360,000	10	7½	.....	.....	174 p.c.	213 p.c.	Oct.	1
Union Fire and Life	180,000	100	40	.....	.....	587	662	Aug.	6

* New shares, £1¼ paid up, 520 per cent., Oct. 9, 1890.
 † Company unlimited and practically a partnership. Shares have no face value

We have given above the principal British companies doing business in Canada. We employ percentages in expressing prices of shares, as is customary on this side the Atlantic, and also affording easy comparison at a glance. The price given (except in last column) is the mean between the highest and lowest quotation for each year.

"PHASES OF QUEBEC LAW," AGAIN.

When we published the very readable sketch called "Phases of Quebec Law," in our issue for October 1st, we stated that the picture was not overdrawn, knowing well that just such cases as portrayed by "Victim" were easily possible under the barbarous laws governing mortgages, sales, etc. As we anticipated, the coterie of sharpers who mainly profit by the existence of these laws are trying hard to break the force of the revelations above referred to. It seems scarcely in keeping, however, for a law journal which is supposed to represent justice and dignity, and to be at least in the interest of nineteenth century methods and fair play generally, to come out, as the *Legal News* has done, in an attempt to apologize for and to defend the law, and to criticise "Victim's" disclosures, as quoted in the *Sherbrooke Examiner* of October 3. The article referred to, however, virtually admits that the provisions of the law are as stated, but gets off the old chestnut about oversight and ignorance of the law on the part of the victims. The author of "Phases of Quebec Law," who is Mr. Lindsay B. Lawford of Sherbrooke, makes a convincing and vigorous reply to the critics, which is printed in the *Sherbrooke Examiner*, of the date above named, side by side with the *Legal News* article. We cannot do better than to reproduce that portion of Mr. Lawford's article which refers to the authenticity of his former representations. He says:—

A few words more. I have been accused in other quarters of stating a number of imaginary cases, none of which have been known to occur. In rebuttal of this charge let me cite chapter and verse.

I may refer first to a well-known case, in which an elderly gentleman, since deceased, lost a mortgage through the property being sold by the sheriff without his knowledge. Secondly, to a case in which an educational corporation, with which we are all acquainted, lost a mortgage under precisely the circumstances stated in my fourth illustration, viz., an adverse title being obtained under a ten years' possession. Both these cases are comparatively recent and are familiar to every lawyer of any standing in this city. Thirdly, to a case which many of the older residents in the townships will remember, where a gentleman, now deceased, bought a large tract of land in the neighborhood of Lake Megantic, at sale for taxes, for \$180 or thereabouts, and at the end of the second year sold it without warranty of title to a priest for \$5,000. Fourthly, to the fact that to my own personal knowledge within the last four years, a registered land owner lost a lot of land through its being sold by the sheriff without his knowledge, and that too notwithstanding the fact that he had diligently studied the *Official Gazette*. He had carefully noted all sales of lands in the township in which his property was situated. No township however was mentioned in the advertisement. The lot was merely described as being in the *parish* of St.—. Fifthly, to the fact that I am at the present moment personally interested in a mortgage for \$600 against the estate of deceased insolvent, and that the shower of privileged claims has commenced with the presentation of a doctor's little bill for \$183. Sixthly, to the law reports of a case a few months ago, in which the court refused to allow a respectable man to be sworn, because he admitted himself to be an "agnostic."

I claim that there is no exaggeration whatever in my pamphlet, and that it is a description of real and not imaginary evils.

Ever since the world began, reforms of every description, whether social, political or religious, have been bitterly opposed, and perhaps the most difficult of all to obtain is law reform.

A QUAIN LETTER IN RHYME.

An applicant in British Columbia to the Sun Life Assurance Company of this city, for a policy on his life, sends it the following rhyming response to sundry questions propounded by the company. That life assurance is not without its humorous features this effusion testifies.

You wish me explicit on the death of my "pa,"
And likewise my uncle and aunt;
I'll try to oblige you with facts as they are,
For to hide them I possibly can't.

My aunt, to begin with, as I've said before,
Had a cancer upon her left breast,
But meddling with doctors (you know what they are)
She was soon hurried off to her rest.

She suffered, poor creature, as many have done;
'Tis a fact and can't be denied—
Please don't misconstrue me, and think I'm in fun,—
But I'm sure she was glad when she died.

My father, poor soul, I am sorry to say—
But would do so, by jing, were he here—
A very strong man, would have lived out his day
If he'd not been so fond of his beer.

He made the mistake that many have made,
He thought he could tittle and quit,
But found at the end his last trump was played,
And his life ended up in a fit.

My uncle, I've heard, but can't tell if it's true,
Had coughed many times in his life;
But that shortness of breath was the cause of his death
Is one of the stories that's rife.

Of myself I would say (I'm the one you insure,
And none of the dead other three)
I'm not sick at the present and hunting a cure,
But am healthy as healthy can be.

I don't understand when my folks have been dead
Far back in the past twenty years,
Why, to find how they died and on what they fed
Is going to lessen your fears.

Is it true that their fate is a lesson to me,
Of the death which I too will die?
If this is your notion, then every day life
Stamps the fact plain as can be,—a lie.

P. R. S.

In a sermon to young men, the Rev. Dr. Thain Davidson of Islington, among other good things, said:—"It is meanly selfish for a man, dying in the prime of life, and professing a christian hope, to be perfectly happy while he knows that as he steps into heaven his wife and children will step into the work-house. I say it is abominable. If you have the faintest prospect of having any dependent upon you, you have no business to spend on gratification all your weekly wages or your yearly salary. It is not yours to spend. The first few shillings or the first few pounds belong to them, and should go to pay the premium on a policy that at least will keep them from beggary."

FUNCTIONAL ALBUMINARIA.

A very able paper on the above subject was read before the forty-first annual meeting of the American Medical Association, by Dr. Wm. B. Davis, A. M., of Cincinnati, Ohio, from which we make the following extracts, only regretting our lack of space to give the paper entire. Speaking of the causes of functional albuminaria, Dr. Davis says:—

Various theories have been advanced to explain how albumen escapes into the urine in these cases. One states "that it is due to changes in the secreting structures;" another ascribes it "to a weakened state of the renal vaso-motor centres, which are easily thrown off their balance by exaggerated physiological conditions." Sir William Gull says that "it is due to atony of vessels and nerves." Bartels attributes it to an altered state of blood pressure. He says: "Perfectly healthy kidneys, solely in consequence of an altered state of blood pressure upon their vessels, can excrete albuminous urine." He further states that "the albuminaria may arise as an entirely transitory symptom from abnormal elevation of the blood pressure, and pass off again as quickly as the cause from which it arose; but, on the other hand, this cause abiding, it too may endure; and, lastly, it may come and go, fluctuating with the varying grades of pressure which produced it." In all these conditions, he says, the actual per cent. of albumen is but little. Prof. Semmola thinks that albuminaria, in its functional manifestations, is due to the presence in the blood of albumens of greater diffusibility than the normal blood albumen. Moxon and Collins attribute it largely to morbid matters in the urine, particularly oxalate of lime, while many other writers hold to the view that it is due to "changes in the kidneys brought about by changes in the blood." These conflicting theories and confusion of terms make it apparent that we have made but little progress in our study of albuminaria since the time of Bright. We have learned that more than one form of albumen appears in the urine, and, yet, we have blindly acted as though all forms have the same grave significance.

The author of the paper concludes his treatment of the theme as follows:—

Until we know much more than we do now of this interesting condition, each case will require a separate study, as a correct generalization will depend upon the study of the individual case.

Life assurance companies have largely been the means of acquainting the profession with the knowledge that albuminaria may be present in persons apparently healthy. These companies owe it to themselves, and particularly to the large class of unfortunate persons whom they have excluded from the benefits of life assurance because albumen was found in their urine, that they use all means within their power in assisting the profession to an early solution of the significance of albuminaria in such cases.

These life assurance companies have their medical officers in every town and hamlet of the country, and many of the companies are now requiring an examination of the urine of every applicant for assurance. If their medical examiners are competent to make a urinalysis, and if they will keep a careful record of all persons in whom albuminaria has been found, and then, by aid of the family physician, keep the persons under observation for a few years, examining their urine occasionally, both chemically and microscopically, and noting whatever changes may occur in them, reporting the result of their observations to the medical directors

of their respective companies, the real significance of albuminaria in persons apparently healthy would soon be solved.

THEY COULDN'T FOOL HIM.

A Jew insured his house against fire for £1,000. In due course the house burned down, and our friend, the Jew, made his appearance at the office demanding his £1,000. "Steady," said the manager; "if you refer to the conditions endorsed on your policy you will find that we have the option of either paying you down the lump sum assured or of replacing the destroyed property. Now, after mature consideration, we have arrived at the conclusion that we can build you a *bigger* and a *better* house for £800, which course we intend to adopt;" and which course was adopted.

A short time afterward a life assurance agent called on our friend and endeavoured, but without avail, to induce him to take out a policy on his life. "Well, then," quoth the agent, "take out a policy on your wife's life."

"What!" exclaimed the Jew; "insure my wife? Suppose I do so for £1,000 and my wife dies. You think I gets my money for what I insured her? No, I know better. You says, says you, 'Mr. Isaacs we will get you a *bigger* and a *better* wife for £800!'"—*Exchange.*

THE LONDON FIRE BRIGADE.

LIFE SAVING TACTICS.

From an interesting article in the *Insurance Record*, describing the exercise movements of the London fire brigade, which occur on Wednesday afternoons at brigade headquarters, under the eye of Captain Shaw, and largely attended by visiting spectators, we extract the following:—

The drilling takes place in the yard, which seems perfectly hedged in with fire-escapes of various patterns, some ready for use and some held in reserve. Every care appears to be taken to provide for emergencies. Should a fire-escape be damaged at any of the stations, here are others ready mounted on carts which can be trundled off at a moment's notice. Or should one of the street perambulatory stations be run into, there are reserve stations fully equipped ready to take its place. A corps of a dozen men trundle in a fire-escape, and having run with it around the yard rear it up against the wall, high enough to scale the roof. Then the mimic work of "saving" life commences. One after another, with the nimbleness of sailors—as in fact they all have been—they mount the roof. Those who are told off to be "saved" immediately fall down and lie inert. One of the others goes to him, and it is interesting to see how easily without aid he can get a prostrate and helpless individual on his shoulders. Turning him on his face he first straightens the limbs, then raises him by the shoulders on to his knees, and putting his own shoulders to the breast of the supposed senseless person lifts him up. The individual—whether man or woman—is then bent double face downwards over the fireman's back, with head hanging down one side and feet on the other. One arm is passed under the fireman's arm; and in the case of a man the fireman places his left arm between the legs and holds on to the man's left leg. In the case of a woman the only difference is that the places the arm around both legs, and thus held the movements of the fireman are not impeded, and there is no danger of the individual falling off. Carrying his burden easily the fireman descends the ladder to where

the shoot begins. In the case of a woman he puts her in head first, so that her dress may not catch, but in the case of a man feet first. Without losing hold in either case, he himself follows head first in the shoot, and still holding the saved person, regulates their joint descent by means of his elbows and knees. One after another the other men are brought down without any hitch occurring, and to give a touch of realism one of the firemen has a long dress on to represent a woman. It looks like a risky proceeding. The roof is so high, the telescope ladders which form the top part of the escape seem so shaky, and the firemen are so burdened with the inanimate mass of humanity hanging limp and helpless across their shoulders, that it seems almost incredible accidents should never happen. Yet, as a matter of fact, that is so. None but seamen being admitted into the brigade, they are all accustomed to scale dizzy heights, and to make ascents and descents under conditions of danger such as might appal the unaccustomed landsman. It is satisfactory to know that no slip or tumble has ever occurred resulting in personal injury. With the jumping-sheet, which subsequently comes under notice, and the use of which is well understood, there have been cases of injury through the jumpers not dropping into the centre of the sheet, but these have not been of a serious character.

Financial and Statistical.

THE SEPTEMBER BANK STATEMENT.

If the bank returns may be taken as an indication of the times, there is nothing to complain of. The crop product of Canada has been abundant, and that with fair prices ruling is sufficient to cause a healthy movement in banking circles. The noticeable feature is the large increase in bank note circulation. We have not far to look for the cause. This year our American neighbors have given us a boom in agricultural products a month earlier than would have been but for the enactment of the new tariff law. The articles chiefly affected by this law being barley and eggs, these were pushed out rapidly in order to anticipate the termination of the old tariff schedule on the 6th of October. Thousands of bushels of barley and thousands of dozens of eggs were sold which otherwise might have been distributed over a longer period. In order to show the movement of money by Provinces, we have compiled the following for the months of August and September, 1889 and 1890:—

	YEAR 1889.		Current Loans	
	Notes in circulation. August.	September.	August.	September.
	\$	\$	\$	\$
Ontario.....	9,860,515	10,408,702	53,381,220	54,012,329
Quebec.....	15,927,737	16,902,229	76,181,120	77,285,566
Nova Scotia...	3,544,240	3,717,990	12,279,023	12,393,384
N. Brunswick..	636,774	629,839	2,173,197	2,127,197
Manitoba.....	265,435	293,120	803,415	801,382
Brit. Columbia.	855,583	936,548	2,534,002	2,534,784
Totals....	31,090,284	32,888,428	147,352,010	149,154,645
	YEAR 1890.			
Ontario.....	10,123,697	11,755,331	53,618,281	54,476,772
Quebec.....	16,652,555	17,660,724	76,939,789	77,597,929
Nova Scotia...	3,882,424	3,959,815	13,639,439	13,679,091
N. Brunswick..	770,552	740,965	2,622,589	2,684,761
Manitoba.....	275,360	304,865	1,111,550	1,199,310
Brit. Columbia.	976,603	1,062,438	3,151,070	3,383,841
Totals....	32,681,191	35,483,871	151,112,718	152,521,704

In both years a reduction is found in the bank note circulation in New Brunswick, and it readily appears that the greatest development is found in the banks of Ontario and Quebec which, however, it is to be remembered, have agencies in the Lower Provinces. In consequence of the great activity of our exporters of produce in rushing to the American market previous to October 6th, we predict that a continued increase in the circulation for that month will be reported; while the probable effect of the tariff reduction on lumber and the free movement of logs following that reduction will be to keep the bank circulation up to the usual mark, as if no McKinley tariff had been enacted.

CANADA AND THE NEW TARIFF.

Now that the McKinley tariff bill, so long pending, has been adopted by the Congress of the United States, and has gone into operation, its effect on the general prosperity of Canada may well be considered. That it will cripple our export trade is beyond question, for it is a fact not to be disguised nor ignored that our exports to the United States about equal those to all the balance of the world, England included. Last year Canada exported to the United States products amounting to over \$43,000,000 in value, and nearly all the articles included in that aggregate are affected favorably or unfavorably by the new tariff. Those affected unfavorably are mainly horses, cattle, sheep, hogs and poultry in one classification, general farm products, including wool, in another, and butter and cheese, eggs, etc., in a third. Fruits of some kinds are affected, but with the exception of apples the item is of comparatively small consequence. Taking the above and we find that, on the basis of last year's exports, the difference in duties would be as follows:—

	Old duty.	New duty.
Animal Product.....	\$708,050	\$826,889
Farm Product.....	300,810	3,763,227
Apples, green and dried.....	.....	726,118
Butter and Cheese.....	13,339	20,010
Poultry, live and dressed.....	16,252	60,230
Eggs.....	.....	700,550
Totals.....	\$2,038,451	\$6,099,024

The value of the above classes of exports sent over the border was about \$15,500,000, the heaviest items being horses, cattle and sheep, \$3,520,382; eggs \$2,156,725; barley, \$6,454,603; and hay, \$822,381. On horses, cattle and sheep the new duty is from 20 to 30 per cent. higher, on apples and eggs has been added entirely, on barley increased from 10 to 30 cents per bushel, and on barley malt from 20 to 45 cents, while hay gets an increase of \$2 per ton, just double the old rate, and potatoes are increased from 15 to 25 cents per bushel.

On the other hand, not a few articles have either been decreased or left on the free list. Among the former are some kinds of sawed lumber, clapboards, shingles, sawed or hewn timber, pickets, etc., all of which are reduced to one half the former rate. The practical question in view of the present situation is will this country receive permanent injury from the

new tariff? That present injury to our trade will be the result of course no one questions; but that a gradual adjustment of affairs such as shall meet the situation without loss, many believe to be possible. There is foundation for this belief in the possible extension of certain lines of export trade to non-tariff countries, where, with a market at our doors over the border, we have not heretofore sought commercial intercourse to any great extent, together with the fact, that so far as barley is concerned we can either brew it ourselves at a profit or substitute for its cultivation some other product which will bear export somewhere. Besides, we are not to forget that horses and cattle will all be sold to the United States to a considerable extent. Prices there will advance—that is what the new tariff was made for—and, hence, a horse or an ox will sell for enough more to materially reduce the increased duty. It is a great mistake to assume, as most of our exchanges do, that the difference between the old and the new duty measures our trade loss on any given product.

The impression which, for political purposes, has gained credence, that the present tariff of Canada discriminates against the United States as compared with Great Britain, is an erroneous one, as pointed out by the *Winnipeg Commercial*. In 1888, the value of goods imported from Great Britain was \$39,433,617, upon which the duty was \$8,972,740. For the same year the imports from the United States were \$55,513,790, upon which the duty collected was \$7,109,234. In 1889, the imports from Great Britain were \$42,249,555 and the duties \$9,450,243, while the goods imported from the United States amounted to \$56,368,990, and the duties to \$7,371,148, showing that, as in 1888, though the British imports were several million dollars less than from the United States, yet the duties

collected on the former were about 40 per cent. of the total, as against 32 per cent. on the latter. Stated in another way, it appears that, while in 1889 the duties collected on importations from Great Britain were about 22 per cent. of their value, the duties on United States importations were but 13 per cent. of value.

The export of Canadian eggs to the United States last year was over 14,000,000 dozen, at a selling value of about \$2,000,000. Two or three trial shipments have been made from this city to England, and with the most satisfactory results. The London and Liverpool dealers say they can use the entire Dominion supply at the highest prices if properly shipped, for the quality is excellent.

The assets and liabilities of the banks in New South Wales, for the quarter ending June 30 last, were as follows:—

<i>Assets</i>	
Coin and bullion	\$28,047,610
Landed property	7,932,895
Notes and bills of other banks ..	1,394,050
Balances due from other banks	13,831,810
Notes and bills discounted and other assets	205,779,850
Total	\$256,986,230
<i>Liabilities</i>	
Notes in circulation	\$7,345,750
Bills in circulation	546,340
Balances due to other banks	\$86,050
Deposits not bearing interest	18,249,505
Deposits bearing interest	126,052,755
Total	\$183,080,800
Assets over liabilities	\$73,905,430

At the same date the total assets of the ten banks of South Australia were \$57,357,755, the liabilities \$39,706,605, and the assets over liabilities \$17,651,150.

STATISTICAL ABSTRACT OF THE CHARTERED BANKS IN CANADA.

Comparison of Principal Items.

<i>Assets.</i>	30th Sept., 1890.	31st Aug., 1890.	30th Sept., 1889.	Increase and Decrease for month.	Increase and Decrease for year.
Specie and Dominion Notes	\$15,900,923	\$15,760,617	\$16,922,353	Inc. \$140,311	Dec. \$1,021,415
Notes, cheques and balances due from other Can. bks.	9,977,092	8,766,027	10,212,093	Inc. 1,210,065	Dec. 235,971
Due from American Banks and Branches	13,370,610	12,868,708	17,169,019	Inc. 501,992	Dec. 3,798,439
Due from British Banks and Branches	3,334,618	2,450,409	3,207,947	Inc. 884,209	Inc. 126,671
Government Securities	8,558,267	8,500,628	8,448,780	Inc. 57,639	Inc. 409,487
Loans and Collaterals	16,248,568	16,622,191	15,655,591	Dec. 373,623	Inc. 592,974
Loans to Corporations	28,371,802	28,204,690	24,667,832	Inc. 167,112	Inc. 3,703,970
Current Discounts to the Public	153,145,549	151,231,334	149,154,615	Inc. 1,911,215	Inc. 3,999,904
Overdue debts, including those secured by mortgage.	2,529,274	2,554,732	2,545,588	Dec. 25,458	Dec. 16,314
Total Assets	260,700,598	256,081,445	258,483,037	Inc. 4,616,153	Inc. 2,217,561
<i>Liabilities.</i>					
Notes in circulation	35,522,319	32,718,363	32,888,429	Inc. 2,803,956	Inc. 2,633,890
Government Deposits, Dominion and Provincial	5,734,103	6,378,022	13,894,444	Dec. 643,919	Dec. 8,160,341
Deposits from the public	132,434,754	130,952,014	124,767,763	Inc. 1,482,740	Inc. 7,666,991
Loans and Deposits from and amounts due to other Banks in Canada	2,225,218	2,588,395	3,094,639	Dec. 363,177	Dec. 869,421
Balances due to American Banks and branches	153,417	100,544	81,223	Inc. 52,873	Inc. 72,194
Balances due to British Banks and branches	2,108,155	1,601,776	2,488,913	Inc. 506,379	Dec. 380,758
Total Liabilities	178,264,107	174,481,184	177,316,996	Inc. 3,783,923	Inc. 947,111
<i>Capital.</i>					
Capital paid up	59,932,678	59,881,243	60,186,243	Inc. 51,431	Dec. 253,565
Reserve Fund	21,524,034	21,499,034	20,091,334	Inc. 25,000	Inc. 1,432,702
Directors' Liabilities	7,473,451	7,232,469	8,524,399	Inc. 240,982	Dec. 1,050,948

During the month of September the Montreal Water Works furnished nearly 460,000,000 gallons, or about 12,000,000 gallons in excess of September, 1889. Following are the figures:—

	By water	By steam	Total.
September, 1890.....	388,866,067	70,477,752	459,343,819
September, 1889.....	312,723,766	105,211,636	417,935,402

This is certainly an ample supply for all purposes. For September, 1890, the supply was 15,311,460 gallons daily, and for September, 1889, 14,931,180 gallons.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

JOTTINGS FROM ONTARIO.

LONDON, ONT., Oct. 28, 1890.

Editor INSURANCE AND FINANCE CHRONICLE:—

The members of the profession are apparently pleased that you have opened your columns for items of interest here. This has induced me to again address you. As your readers are aware, we have lately had a meeting of the Canadian Fire Underwriters Association in this city, concerning which I may incidentally remark that it ended in the usual manner as a mutual admiration society. Previous to meetings of this kind, there is a great deal of talk on the outside of correcting existing abuses, but it is observed that when assembled the brethren fight very shy of touching these matters, probably fearful of treading on their own corns. I am disinclined to mention names of those who manage to squeeze through a risk on any pretext whatever, but they should be looked up, and their agencies handed over to men who are conducting their business in an honest and conscientious manner.

Our city has been free from any large fires for some time, and there are individuals who think rates on certain classes of buildings should be lowered. Some way the agents manage to make the rate satisfactory to the insurer, thus securing the business. This was notably the case in a certain risk here the other day. Now, if this building should burn before the close of the year, there are two agents in this city who will feel like going into the market place and kicking each other for a whole day. About a dozen others would congratulate one another on not being on the risk, taking credit for their superior judgment in fighting shy of that class of hazard. This kind of nonsense is talked daily, but the truth is that every man of them would be on the risk, only they didn't manage to secure it. I heard a life agent remarking that a certain fire insurance company was being put on some very doubtful risks, and that if he was the inspector of the company they would be promptly cancelled. Let me remind my friend, "that people who live in glass houses should not throw stones," for, if reports speak truly, the said agent displays very little discrimination in the class of lives he is putting into his company,—apparently his main object being to secure the large commission he is credited with getting.

A new point is likely to be raised, in connection with a suit over a life policy on a prominent citizen who died here a few months ago. It appears he was insured in a natural premium company for the sum of \$10,000. The company has a limitation as to age in admitting a new member. The applicant gave his age as within the limit, but the evidence furnished after death discloses the fact that he was some years older. The company naturally objects to paying the claim, on the ground that it was made to assure a hazard not provided for in their rates, and, further, that if the applicant had given his correct age a policy would not have been issued. How far this defence will induce a jury to view the transaction in the same light as the company remains to be seen. It is probably a case that will have to be determined by the higher courts, and will be a matter of great interest, as it is probably the first time

such a defence has been set up. In fire insurance a clear misrepresentation as to the assumed hazard would certainly invalidate the contract; it is hardly possible to apply the same rule in a case of this kind.

Preachers continually discourse on the subject: "Is the world growing better or worse?" Whether they prove the case to the satisfaction of their hearers or not I leave your readers to judge for themselves. For my own part, I am inclined to the former opinion, and mainly because I heard of the representatives of two respectable Canadian companies who positively declined to make a rebate to secure a proposal for a nice amount! It is to be regretted that the representative of another Canadian life company did not follow their example. The chief mixer of fancy drinks at the "Teemisch" has lately got in a supply of "Extra Dry." Some innocents think he is preparing for X'mas, others say it means a visit from some of the "specials" who go for big game and have spat out another \$25,000 risk in this city. If the same cut in commission is made as before, the question is who pays for the liquor? This is a poser for

PALE FACT.

OUR LONDON LETTER.

Editor INSURANCE AND FINANCE CHRONICLE:—

Almost concurrently with the receipt of your number of the 15th ultimo, containing an article headed, "The Disgrace of Life Assurance," I opened my parcel of London insurance weeklies, in which I find comments more or less severe on the rebate question. The form denounced is somewhat different from that you describe, but it is equally reprehensible in principle; and the culprit is not an insurance agent, but an insurance office; not an obscure institution struggling into vitality, but one that has prided itself upon its hitherto exalted position and extreme gentility. I regret to say that the North British and Mercantile Life office (which recently absorbed the Scottish Provincial) has committed what I believe to be a grave offence against assurance morality, and in this wise.

INSURANCE BY TENDER.

A short time since, a class of the community euphemistically denominated "Civil Servants"—whose character has been so facetiously and correctly described by Dickens in *Little Dorrit*—issued a circular to a large number of life offices, inviting them to tender for the assurance of the lives of the members of the civil service. I believe quite a number of offices tendered, and the North British tender was accepted. The terms of the compact entered into are briefly as follows: First, a discount of 15 per cent. on new and renewal premiums is to be allowed to every civil servant in respect of any assurance effected by him with the company. 1 per cent. is to be allowed off the purchase money for immediate annuities, and 5 per cent. off the premium payable for deferred annuities. Second, the assured civil servant is to have the privilege of paying his premium quarterly, in exact fourths of the annual amount. Third, every civil servant now in Her Majesty's employ, who shall assure up to the sum of £1,000 within the next two years, is to be exempted from medical examination, and no enquiry is to be made into his family history; nor is medical examination or investigation into family history to be made in the case of any civil servant, who, after the expiry of the two years above mentioned, shall assure with the North British within five years of the date of his appointment, the fact of medical examination undergone, while a candidate, being accepted as evidence of his eligibility. Fourth, every policy issued to a civil servant is to be free and unrestricted in all respects. Fifth, the civil servants, notwithstanding the fact that they pay 15 per cent. less than other policyholders, are to participate in bonuses declared as if they paid the full premium. Sixth, every civil servant introducing business from persons other than those of his own class is to have a liberal commission paid to him.

I can scarcely conceive that the general body of policyholders

in the North British will allow this arrangement to take effect without a challenge, and I cannot imagine what justification the managers of the company can offer for this discrimination against them that will be satisfactory. It seems to me that the evil aspect of the rebate question is greatly intensified by the action of the North British. It is a bold bid for new business upon a principle inherently vicious, viz., granting privileges to one body of policyholders at the expense of another body, for without decreasing the profits of the older members of the company it is difficult to see how the officials of the "circumlocution office" are to have an equal share in the bonus. This, Mr. Editor, is one of the things that we "want to know, you know." Further, an additional risk must be borne by the older policyholders, in respect of the selection against the office that must be the inevitable result of the indiscriminate acceptance of the lives of civil servants; for he would be a rash man who should assert that these lives are above the average. Indeed, from personal observation, I should be disposed to say that they were not up to it. I regard the contract as reprehensible on another ground, inasmuch as it is a sinister method of increasing the expenditure, without affording the public the usual means of determining the measure of it. The managers of the North British may argue that they pay no agency commission, and therefore the arrangement is justified; but the reasoning is fallacious, for it is quite certain that the saving under the head of commission cannot amount to more than 7 per cent., and the company is consequently giving away to the civil servant from 8 to 10 per cent. of funds. The arrangement is moreover an injustice to the ordinary agents of the company, and I shall be surprised if they submit to it without remonstrance. I shall also be surprised if E. B. Harper does not take advantage of the North British procedure to enforce his arguments against the premium system of the older offices. If I am rightly informed, the North British has at sundry times, and in divers manners, expended a good deal of virtuous indignation upon the methods employed by many of its competitors in procuring business—and goodness knows that in some cases they were questionable enough; but the departure that office has taken in regard to the civil servants leads one to conclude that the managers

Compound for sins they are inclined to,
By damning those they have a mind to.

AMALGAMATIONS.

Much has been said of late respecting the desirableness of amalgamation between offices, *i.e.* in cases where the one is relatively strong, the other relatively weak; and if rumor is to be credited, two highly respectable offices—the Royal and the Queen—are about to follow the example set by the North British and the Scottish Provincial. If the union should take place, an institution of great strength will be established. The combined funds—life and fire—would amount to £7,813,000; the combined life premium income would be £350,549; the fire premiums would be £1,702,791; and the interest £292,906.

ANTI-VACCINATION.

Your readers are probably aware that in England, for many years past, a well organized opposition has been conducted against the acts requiring compulsory vaccination. The opponents of the acts deny *in toto* the prophylactic and remedial virtues of vaccine matter, so positively claimed by the advocates of vaccination, and it is asserted that a large amount of disease and suffering is caused thereby. In several large towns, notably in Leicester, the act is openly defied, in spite of the infliction of pains and penalties, and in that, as well as in other towns, the magistrates have been more in sympathy with the delinquents when prosecuted than could have been expected. The arguments of the anti-vaccinationists have recently received support in a quarter quite unexpected. Dr. Creighton, who is a highly educated medical man, has written an article on vaccination in the last edition of the *Encyclopædia Britannica*, the tendency of which is decidedly adverse to the doctrines propounded by Jenner; and later still, Dr. Crookshank, a highly respectable

practitioner, has followed in the wake of Dr. Creighton. The medical profession is greatly disturbed by the heterodoxy of the gentlemen referred to, especially as an agitation has been created which has resulted in the appointment of a Royal commission to enquire into the working of the vaccination acts. The managers of insurance companies everywhere will doubtless watch the proceedings of this commission with great interest, for hitherto much importance has been attached to the question of vaccination, and it has been customary either to reject or to surcharge an applicant for assurance who has not been vaccinated, or had small-pox.

LIABILITY OF DIRECTORS.

An act was passed at the last session of Parliament, entitled, "*The Directors' Liability Act, 1890*." It is aimed chiefly against the promoters of bubble companies, which have sprung up in such numbers during the last few years, and by means of which thousands of innocent and trusting individuals, who relied upon the presence of great names in the prospectus, have been hopelessly swindled. The reports and valuations, *etc.*, of experts, *i.e.*, of engineers, accountants, valuers, *etc.*, have been implicitly relied upon, and these reports have been too often of a wholly misleading character. The act, as it passed the House of Commons, provided amongst other things that a director or promoter of a public company should, in order to relieve him from pecuniary liability, prove "that he had reasonable ground for belief that the statement, or report, or valuation was made in good faith by the person by whom it purports to have been made, and that the person making it was competent to make it." This was a clause of sufficient stringency to cause company promoters and directors to act with circumspection at least; but in the House of Lords much discussion arose on the clause, and through the intervention of Lord Chancellor Holsbury the clause was amended, and now the Act directs that every director or promoter "shall be liable to pay compensation... if it be proved that he had no reasonable ground to believe that the person making the statement, report or valuation was competent to make it." Without attributing any motives, I would remind the reader that the Lord Chancellor was sitting surrounded by a number of men who are directors of companies by the score, and to whom the ignoble epithet of "guinea pigs" has been more than once applied. Happily the day has long passed since life companies could be floated by speculators for the express purpose of deluding the public and enriching the promoters; but it may still be possible to bolster up a tottering concern by the report of an "expert," and to mislead interested persons by a one-sided statement. This danger in insurance circles is probably limited, as I believe it would be difficult to find an actuary of any standing who would run the risk of losing his professional reputation, by putting his name to a misleading report or giving an equivocal opinion. Anyhow, it is to be hoped that the Act will have a deterrent effect upon any possible sinner.

AMERICAN TARIFF LAW.

The passing of this law has undoubtedly created a considerable amount of disturbance among the mercantile community. There can be no question that many of our industries will be adversely affected by the operation of the provisions of the law, but to what extent and for how long a time remains to be seen. More about this subject anon.

VIGILANS.

LONDON, Eng., 15th Oct., 1891.

The German fire insurance companies (30 in number) seem to have done very well last year. They report net premiums amounting to \$13,646,750 and losses amounting to \$7,120,000, a ratio of 54.2 per cent. The paid up capital and reserve funds amount to \$67,887,285, including obligations of shareholders, which represent unpaid capital, and amounting to \$34,508,605. The premium reserve is about 70 per cent. of the net receipts. The surplus is stated at \$5,364,750.

Notes and Items.

By a large majority vote, Leamington, Ont., has decided to provide itself with water works.

Mr. A. D. G. Van Wart, a well known insurance special of St. John, N. B., called on us this week.

The new water works at Calgary are about completed, and are said to be of a high order of excellence.

Messrs. Pettit & Ellis, of Calgary, have been appointed general agents for the Citizens Ins. Co. of Canada.

A valued policy bill is before the present session of the Vermont legislature, and the prospects are that it will pass.

Mr. A. K. Blackadar of Ottawa, actuary of the Insurance Department of Canada, paid Montreal a visit this week.

The enterprising firm of Goodwin & Wilkinson of Vancouver have been appointed the agents there for the New York Life.

Mr. A. Holloway, of Winnipeg, who represents several fire offices in Manitoba and the Northwest, visited Montreal last week.

It is rumored that Mr. W. H. Hayward, the manager of the Mutual Reserve Fund Life of New York for Great Britain, has resigned.

The building of the New York Life, recently completed at Minneapolis, is pronounced to be one of the finest office buildings in the West.

Messrs. Quinn and Phipps, formerly with the Ontario agency of the New York Life, are now with the Equitable in the United States.

Mr. Geo. Knight, formerly with the Federal Life at Hamilton, is now chief city agent at Toronto for the Provident Savings Life of New York.

The Toronto Agency of the Manufacturers' Life has been re-organized recently by Manager Ellis, and an increased business is said to be the result.

Before long we expect to chronicle the advent in the Canadian field of another fire insurance company. At present we are not at liberty to give particulars.

It is stated that the general manager of the Caledonian insurance company will visit the United States during the next two weeks and take Montreal in his way.

Mr. Ernest Woods, who has been assistant actuary for the two past years of the Westminster General Life, has been promoted to be principal officer of the company.

Mr. Geo. Armstrong, for several years State special of the Hartford Fire for Minnesota, now represents the company for the State of Michigan, with headquarters at Detroit.

Mr. Geo. U. Ahern, at one time connected with the North British and Mercantile in this city, has been appointed inspector of the Victoria Board of Fire Underwriters.

The new building of the Sun Life of this city is making good progress, and will soon be ready for the roof. When completed it will be a credit to the company and conspicuous among the best buildings in Montreal.

Mr. David Burke of this city, Dominion manager of the New York Life, recently spent some time among his Ontario agencies, with the result that some valuable additions have been made to the Western agency force.

The alleged adjustment swindles, fire patrol corruption, and deviltry in general, suggested by the recent revelations of the *Chronicle* of New York, are to be investigated by the New York Board of Fire Underwriters.

Mr. Geo. Wegenast, assistant actuary of the Ontario Mutual Life of Waterloo, favored the *CHRONICLE* with a pleasant call returning from the Hartford meeting last week of the Actuarial Society of America.

Mr. Bernard Faymonville has become secretary of the Firemen's Fund insurance company of San Francisco, succeeding Mr. W. J. Dutton, vice-president and secretary, resigned. Mr. Faymonville was assistant secretary.

It is said that a new mutual fire insurance company at Minneapolis, to insure flour mills and elevators, is soon to be launched. Ex-Governor McGill, at one time insurance commissioner of Minnesota, is to be the president.

It is stated, on the authority of the *Insurance Observer* of London, that the Providence-Washington insurance company paid 42 per cent. for the United States business of the South British, reinsured some weeks ago.

It is now decided that the United Fire Re-Insurance company of Manchester, England, will enter Canada under the management of Mr. Percy F. Lane, of the New York office. The company is heartily welcome.

Mr. John C. Paige of Boston, manager for the United States of the City of London Fire, and for the Imperial Fire in the Eastern and Middle States, has gone to England on business which may have an interesting sequel.

Mr. S. C. Duncan-Clark of Toronto, chief agent of the Lancashire Fire for Canada, and president of the Canadian Fire Underwriters' Association, spent a couple of days in Montreal this week, and looked in pleasantly on the *CHRONICLE*.

Another Insurance Journalist is to be congratulated on attaining connubial happiness. This time it is Mr. J. H. C. Whiting, jr., of the *American Exchange and Review* of Philadelphia, who was recently married to Miss Agnes Stewart Mundell.

The Chicago underwriters have agitated the advisability of increasing rates in the Stock Yards district for some time; but it seems they needed the \$750,000 fire a month ago in the Anglo-American Co's packing house to bring their courage to the sticking point. It is now agreed to make a new tariff for the Stock Yards district, according to the *Investigator*, to go into effect about December 1. In the meantime rates have been advanced 25 per cent.

During the past year the New York Life has invested over \$600,000 in Canadian securities. This is a capital investment in every way, and Manager Burke is to be congratulated on inducing his company to invest so largely in Canadian securities.

We learn that Mr. David Millar has resigned the city agency at Toronto of the Temperance and General Life. It is said he is to be connected with some one of the swarm of "loan" companies making their advent almost weekly in that city and vicinity.

The new fire insurance company of British Columbia, called the Pacific Coast Fire, with \$500,000 capital, is now fully organized. The officers are as follows: J. W. Horne, president; Dr. Wilson, vice-president; Charles Hay, manager; R. W. Harris, secretary.

The Lloyds of London seems to have been hard hit of late. Besides its extremely heavy losses at Colon, the association had \$300,000 on the recent \$3,000,000 fire at Sydney, New South Wales, and \$75,000 on the Anglo-American Co.'s packing house fire in Chicago.

A destructive fire occurred on the 26th ult., at Mobile, Alabama, by which cotton warehouse, oil mills, steamboats and freight cars, together with a large number of houses, were destroyed. The fire extended over 20 squares, and the loss is reported at \$700,000, with \$400,000 insurance.

Since our last issue more meetings have been held in this city by the agents of the life companies in furtherance of the plan for organization. Committees have been appointed and methods discussed, and we hope soon to chronicle as an accomplished fact some organization prepared to grapple with rebate and other existing evils.

Mr. A. F. Bailey, foreign fire superintendent of the Union Assurance Society of London, recently favored the CHRONICLE with a call. Mr. B. is here to assist Manager Morrissey in organizing the Canadian business of the company. In our next issue we hope to give some particulars regarding this one of the oldest insurance offices in England.

The Marine underwriters of Montreal have perfected an organization in connection with the Board of Trade, and elected officers as follows: John Popham, president; Archibald Nicoll, vice-president; E. L. Bond, treasurer; J. H. Routh, W. B. Evans and C. T. Hart, executive committee. The usual committees on classification, adjustment, salvage, etc., were chosen.

Would it not be well to reward pipemen who extinguish fires without needless and damaging expenditure of water? When a \$50 fire is put out with a water damage of \$7,000, as in Victoria, there is good reason for the discussion of some method, either shut-off nozzles or rewards or both, whereby the needless and damaging use of water can be prevented.—*Coast Review*.

The Actuarial Society of America held its semi-annual meeting in Hartford on the 23rd and 24th ult. The attendance was good, the Canadian members present being: T. B. Macaulay of the Sun Life; Wm. McCabe of the North American; W. C. Macdonald of the Confederation; and Wm. Hendry and Geo. Wege-nast of the Ontario Mutual. Several able papers were read, from some of which we hope to make extracts for the benefit of our readers.

Mr. John P. Laurence, for over twenty years the secretary of the London Assurance Corporation, died recently at the age of 61 years. Mr. Laurence succeeded to the secretaryship on the death of his father, who held the office as the successor of his father, who was appointed in 1813. Thus the service of the grandfather, son and grandson extended over a continuous period of 77 years.

The water works by-law for the expenditure of \$424,000 for the purchase of new pumping engines and enlargement of the water supply generally, voted on at Toronto on the 16th ult., was defeated by almost two to one in a light vote. It is now proposed to purchase several chemical engines to increase the fire-fighting facilities; but just what, if anything, may be done is problematical at present.

The general agency system of the Aetna Fire has been changed materially by creating a new department for the West, with headquarters at Omaha. Eleven States and Territories and Manitoba will report after January 1 to W. H. Wyman, general agent at Omaha. The other Western and most of the Southern States will report to the Cincinnati office, heretofore headquarters for the entire West and South.

Investigation of the cotton fire, which occurred a few days ago on the ship "Wileysike," fortunately extinguished before much damage was done, revealed the fact that some of the bales had been saturated with linseed oil, and that spontaneous combustion in the hold of the ship was the result. Vegetable oils in cotton are liable to produce spontaneous combustion under like circumstances, while mineral oils are not.

An alleged insurance swindler, named James M. Wilson, alias Matthews, alias Hally, has been arrested in New Mexico for attempting to swindle the Mutual Life and the Travelers out of \$8,000 and \$10,000, respectively, by playing the drowning dodge in 1888 while fishing in the Rio Grande river. A body supposed to be Wilson's was recovered, his wife made claim in due time, and the companies deferred payment and proceeded to investigation, with the above result.

We notice that rumor has industriously connected the Lancashire and the Manchester insurance companies with a possible amalgamation with the Liverpool and London and Globe. Besides being denied on competent authority, the scheme is improbable in itself. With the rivalry existing between Liverpool and Manchester such an alliance could hardly be possible, especially when both the companies to be swallowed up are Manchester companies, and, if amalgamation were for any cause desired, they could join forces as Manchester institutions.

The Mutual Fire Ins. Co. of this city is out with its 31st annual statement for the year ending on September 1st, last. From this it appears that the company has in force about five and a half million dollars of risks which, it is claimed, are of the best character, as mercantile risks are not taken, dwelling house and select farm property being preferred. In total assets the company reports \$594,419, including \$494,722 of deposit notes and \$11,380 in assessments thereon, to be collected. The cash on hand and in bank is \$76,276, and the real estate owned amounts to \$11,500. The actual cash income was \$8,015, to which assessments of 1890, to be collected, amounting to \$11,380, are added. The losses were \$5,194, and there was carried to reserve fund the sum of \$5,318. No liabilities are reported save sundries amounting to the small sum of \$865.

Fires in elevators.—The *American Mill* says. "A number of elevators are every year destroyed by fire which originates in the elevator heads, caused by heated journals. Frequently the entire cupola is on fire before the employees learn that anything is amiss. If elevator men would keep barrels of salt water standing in places handy to all journals likely to become heated, and provide such places with automatic alarms, we should seldom hear of elevators burning."

Speaking of the fact that, notwithstanding the Charter Oak Life insurance company went into the hands of the receivers over four years ago, yet no dividends to policyholders have been declared, though intimations of such have been plenty, the *Insurance Journal* of Hartford says: "It is possible that the policyholders may yet conclude that it would have been just as well for George M. Bartholomew to carry off a hundred thousand dollars once in a while, as to pay it out for a receivership which makes such slow progress toward the settlement of the estate."

How the A. O. U. W. in Canada undertakes to settle the death claims of its members appears from a case just decided at the Hamilton assizes. One Gelbranson was killed in December, 1889, on the Grand Trunk Railway, whereupon the president of this "fraternal" order went to the widow, and intimating suicide induced her to accept \$450, or just half the amount due; she afterwards sued for the whole amount, alleging that the former settlement had been fraudulently obtained. The judge and jury though so too, for a verdict for the full amount, \$900, was returned.

The insurance commissioner's report for New Hampshire, just received, says, referring to the unauthorized assessment associations: "It is a strange freak of human nature to patronize with ecstasy and faith any absurd scheme which is brought with zeal and bluster to its attention, if it only promises to outstrip all former impositions. It is stranger that the multitude of impostors, who are deceiving thousands of our hard-working people in every section of the State, with their unconscionable and nefarious devices for extorting from them their meagre earnings, should be permitted to escape punishment under laws as vigorous, just and effective as was the celebrated tramp law, made to eradicate a much less evil."

"Banks and Banking in Canada" is the title of an octavo volume of 328 pages, neatly printed and bound, compiled by Mr. N. S. Garland, well known in connection with the department of Finance of the Dominion Government. The book is comprehensive in scope and painstaking in detail, and so thorough as to leave little to be desired as a work of ready reference. Following a synopsis of the banking systems of the various countries is a list of the chartered banks of Canada, with their officers, directors and foreign agencies, supplemented by a schedule of their managers and solicitors in the various towns and cities. A similar list of private banks is also given, together with the names and location of bank solicitors and commercial lawyers throughout the Dominion. A feature of value is the synopsis of bank statements for each year since the confederation; while the various Acts of Parliament relating to banking and kindred interests, including insurance, are incorporated in full—a most important feature, Part III is taken up with a variety of statistical information not specially related to banking, but of much value in itself. Government finances, insurance, loan companies, railways, canals, etc., are included in the statistics presented here. An appendix containing the detailed statements of the principal banks for 1890 is also given.

An ingenious instrument to detect by sound the whereabouts at sea of an approaching vessel in a fog, and called the "eophone," has been invented by Mr. Frank Della Torre of Baltimore. A board of naval officers, after thorough tests, has recommended its adoption in the United States navy. If all that is claimed for the instrument is true, it will very naturally be adopted by the merchant marine service, and receive a hearty welcome from the insurance companies.

Several of our Exchanges have been blindly making the assertion, which some of the managers of the Royal are also quoted as having made, that when the absorption of the Queen is consummated the Royal will become the largest and wealthiest insurance company in the world. There would seem to be no excuse for such blundering, in the face of the plain figures of the last annual statements, and which we gave in our last issue, showing the total assets of the North British and Mercantile on December 31 last to have been \$50,376,064, the Liverpool and London and Globe \$41,952,455, and the Royal and Queen, combined, \$40,508,547.

A suit against the Mutual Reserve Fund Life of New York by the heirs of A. P. Woodson, who had a policy for \$10,000, has been decided in the United States Circuit Court at Richmond, Va., in favor of the plaintiffs. The association resisted payment, on the ground that all assessments had not been paid at the time of Woodson's death. The prosecution showed that all assessments of which due notice had been received had been paid, though notices had not for some months been received. The court evidently regarded the failure of the association to send notices, whether purposely or blunderingly, to be its own fault, of which, however convenient, it could not be permitted to take advantage.

Legal Intelligence.

FIRE INSURANCE.—INSURABLE INTEREST.

WISCONSIN SUPREME COURT, June, 1890. *Horsch vs. Dwelling-House Insurance Co.*

This is a case where a fire policy stipulated that the insured should be possessed of a legal and equitable interest in the subject matter insured; and where it appeared from the evidence that plaintiff purchased a farm, with the buildings, paying for the same with his own money; and at his direction the deed was made to his wife upon her agreement to re-convey to him at his request. Plaintiff had possession and the entire beneficial use of the farm and buildings, using the same for the benefit and support of his family. The trial court gave plaintiff judgment for damages occurring to both personal goods and to the buildings. The defendant appeals from that part of the judgment which gave the plaintiff \$725 for loss on the insured buildings, on the ground that plaintiff had no insurable interest in the destroyed buildings, either at the time of applying for insurance or at the time the fire occurred.

Held—That a person having a special limited interest in property, where by the destruction of the same any reasonable expectation of profit would be thereby defeated, such person has such an interest as that he may protect or indemnify himself by insurance. Any interest that would be injured in the event that the peril insured against should happen the court will maintain as secured under his policy. Judgment affirmed.

INDIANA SUPREME COURT, Sept., 1890. *Phoenix Insurance Co. vs. Tomlinson.* Validity of Policy—Judgment and Stay.

Defendant issued to plaintiff a policy upon certain described property covering a period of five years. The premium was paid partly in cash and the balance by a promissory note. The note was not paid at maturity, and the company brought suit

and obtained judgment thereon prior to loss on the insured property, which judgment was stayed by the insured for a statutory period. At the end of this period the judgment was paid by plaintiff and accepted by the company defendant. The policy contained the following provision: "In case the assured fails to pay the premium note or order at the time specified, then this policy shall cease to be in force, and remain null and void during the time said note or order remains unpaid after maturity, and no legal action on the part of the company to enforce payment shall be construed as reviving the policy. The payment of the premium, however, revives the policy and makes it good for the balance of the term." The lower court gave judgment for the plaintiff, and the defendant company appealed to the Supreme Court, which

Held—That the acceptance of the payment of the judgment after the loss was an affirmation of the validity of the policy, a tacit assent that the policy was in force from the time it was executed, and is a waiver of the right to declare a forfeiture of the policy and not a mere act of revival; that having accepted the full amount of the premium from the assured, the insurer must pay the loss, notwithstanding said premium or judgment was not actually paid until after the loss occurred.

WANTED.—To purchase by an experienced man a well-established Fire Insurance business in large town or city, or would go on the road as Inspector of Agencies and adjuster. Address "Insurance," P.O. Box 282, Elora, Ont.



SEALED TENDERS, addressed to the undersigned, and endorsed "Tender for additions, &c., to Supreme Court, Ottawa," will be received at this office until Wednesday, 2nd October, for the several works required in the erection of additions, &c., to Supreme Court, Ottawa. Specifications can be seen at the Department of Public Works, Ottawa, on and after Friday, 3rd October, 1890, and tenders will not be considered unless made on the forms supplied, and signed with the actual signatures of tenderers.

An accepted bank cheque, payable to the order of the Minister of Public Works, equal to five per cent. of amount of tender, must accompany each tender. This cheque will be forfeited if the party declines the contract, or fails to complete the work contracted for, and will be returned in case of non-acceptance of tender.

The Department does not bind itself to accept the lowest or any tender.
By order, A. GOBELL, Secretary.

Department of Public Works,
Ottawa, 2nd Oct., 1890.

GARLAND'S
Banks, Bankers and Banking in Canada,

With a list of Bank Solicitors and Commercial Lawyers.

PRICE, \$2.00.

The above is the title of a work just published which will be found to contain the path of Canadian Banking, with a complete list of Banks and Bankers, and where located, the growth of Savings Banks, Insurance, Trade and Commerce, Railways and Railway Traffic, Postal Service, Mining and Mineral Production and Receipts and Expenditures of the Dominion since 1867 Confederation.

Also, Acts of the Dominion Parliament relating to Banks and Banking, Savings Banks, Insurance, Bills of Exchange, Cheques and Promissory Notes, the issue of Specie and Dominion Notes, with a Synopsis of the Banking Systems of other countries.

These desiderata of obtaining the work may also be sending price to the Editor,

N. S. GARLAND, Department of Finance,
OTTAWA, CANADA.

WANTED.—A position as Inspector for a reliable Fire Insurance Company. Unquestionable references furnished. Will act in any district in the Dominion. Address "BOX Q." Petrolia, Ont.

DEBENTURES.

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GOVERNMENT AND RAILWAY BONDS.

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Insurance Companies requiring Securities suitable for deposit with Dominion Government or other purposes, can have their wants supplied by applying to

R. WILSON SMITH,

British Empire Building, MONTREAL

Debentures and other desirable Securities purchased.

— THE —

EQUITABLE LIFE

ASSURANCE SOCIETY.

ANNUAL STATEMENT.

JANUARY 1, 1890.

ASSETS,	-	-	\$107,150,309.12
LIABILITIES,	-	-	\$4,329,234.92
SURPLUS, 4% -	-	-	22,821,074.20
" 4½% -	-	-	29,063,684.00
NEW ASSURANCE,	-	-	175,264,100.00
OUTSTANDING ASSURANCE,	-	-	631,016,666.00
INCOME,	-	-	30,393,288.28

H. B. HYDE, President.

SEARGENT P. STEARNS, Manager

183 St. James Street, MONTREAL.

THIRTY-FIRST ANNUAL REPORT
OF THE DIRECTORS OF
THE MUTUAL FIRE INSURANCE COMPANY OF THE CITY OF MONTREAL.
PRESENTED TO THE MEETING OF THE MEMBERS, THE 13TH OCTOBER, 1890.
For the Twelve Months ending the 1st of September, 1890.

The operations of the Company for the year ending the first of September last have not been less favorable than those of late years.

The capital, insurances and income have continued to increase satisfactorily, and the losses remained comparatively small.

At the beginning of the year the capital stood \$560,632.24 and the insurances \$5,179,637.60, and at the end thereof the capital had reached \$593,553.43, and the insurances \$5,475,879.00. The increase has then been for the capital \$32,920.39, and for the risks \$296,242.00. Thus, the capital is now in the large proportion of 10.84 per cent. of the total risks.

The assets of 1888 to 1889 were \$7,085.91, the losses on fires \$4,273.26, and the assessment 2 1/4 per cent. on the deposit notes of members. This year, the assets have been \$8,014.69, the losses on fires \$5,193.51, and the assessment 2 1/2 per cent. This increase in the assessment has been required by the renewing of the office and for the strengthening of the Reserve.

The progress of the Company required of course premises to suit their present means and state of affairs, and to compare favorably with any of those of similar institutions doing business in our City. Consequently, the office has been repaired, enlarged,

furnished and even beautified with regard, however, to a strict economy.

As to the Reserve Fund, we have come to the conclusion that, being our own insurers, it should be increased annually to face any eventuality, provided always that the assessments be and remained in the same time less than the charges of the insurance companies doing business at a fixed rate.

The office having been thoroughly repaired and the business increasing, we may now look for a future reduction in the yearly assessments, should the losses arising out of fires continue to be moderate.

The books of the Company have been audited by two only of the auditors named by you last year, the third being presently in Europe.

The Secretary will now read you the statement of the books and affairs of the Company for the year ending the first of September last.

The Directors, in ending their present report, return you thanks for the confidence you have granted them, and hope that you will feel satisfied with their administration.

J. COMTE, *President.*

MONTREAL, 13th October, 1890.

DIRECTORS FOR 1890-1891.

JOSEPH COMTE, ESQ., *President.*
F. X. ST. CHARLES, ESQ., *Vice-President.*
L. O. HETU, ESQ.

F. X. MONTMARQUET, ESQ.
OWEN HART, "
D. C. BROSSIEAU, "

ANSELM LABRECQUE, ESQ.
G. RENAUD, "
J. A. VAILLANCOURT, "

STATEMENT OF THE SECRETARY-TREASURER.

Balance Sheet of the Ledger on 1st September, 1890.

DEBIT.	CREDIT.
Cash	\$76,275 57
Real Estate	11,500 00
Furniture	500 00
Assessment of 1890	11,380 56
Sundries	41 00
	<u>\$99,697 13</u>
Sundries	\$ 305 00
Taxes	557 50
Profit and Loss	100 00
Reserve Fund	98,731 63
	<u>\$99,697 13</u>

AFFAIRS OF THE YEAR ENDING THE 1ST SEPTEMBER, 1890.

<i>Receipts.</i>	<i>Disbursements.</i>
Received Premiums	\$ 4,409 85
“ Extra Risks	106 21
“ Transfers	61 00
“ Interest on Deposits	3,319 06
“ Assessment of 1890	107 42
“ Sundries	5 15
Assessment of 1890 to be collected	11,380 56
	<u>\$19,395 25</u>
Paid: Losses on Fires	\$ 5,193 51
“ Administration	6,385 59
“ Repairs of the Office	2,384 43
“ Sundries	15 05
Carried to Profit and Loss	100 00
Carried to Reserve Fund	5,318 39
	<u>\$19,395 25</u>

<i>Assets.</i>	<i>Liabilities.</i>
Money in Bank	\$75,767 30
Money in hand	508 27
Real Estate	11,500 00
Furniture	500 00
Assessment of 1890	11,380 56
Sundries	41 00
Deposit Notes in force the 1st September, 1890	494,722 00
	<u>\$594,419 13</u>
Due to Sundries	\$ 865 50
Assets over Liabilities	593,553 63
	<u>\$594,419 13</u>

Amount of Insurances in force the 1st September, 1890.....\$5,475,879 00
Proportion of Assets.....10.84 per cent.

J. B. LAFLIEUR, *Secretary-Treasurer.*

We, the undersigned, Auditors of the said Company, do hereby certify that we have carefully examined the books, accounts, receipts and expenses of the said Company, and that the whole is correct and perfectly kept and recorded.

MONTREAL, 7th October, 1890.

F. PAUL LUPIEN,
D. W. GAGNON,

AGENTS DIRECTORY

<p>KAY & BANKS, —GENERAL AGENTS— Royal Insurance Company, TORONTO.</p>	<p>JAMES SKEOCH, <i>Port of Spain, Trinidad, W.I.</i> Dry Goods and Commission Merchant, <i>General Agent for</i> The Sun Life Assurance Co. of Canada. Western Fire Assurance Co. of Canada.</p>	<p>ROBERT STRANG GENERAL AGENT, WINNIPEG. Liverpool & London & Globe Insurance Co. London & Lancashire Fire Insurance Co. Citizens Insurance Co. Royal Canadian Insurance Co. FIRE AND MARINE RISKS ACCEPTED.</p>
<p>H. D. P. ARMSTRONG, —AGENT— Guardian Assurance Co., TORONTO.</p>	<p>JNO. H. EWART, Chief Agent, <i>Acio Branch,</i> EASTERN ASSURANCE CO. OF HALIFAX, Offices—23 Scott Street, TORONTO.</p>	<p>LEWIS & KIRBY, WINNIPEG. FINANCIAL, INSURANCE & GENERAL AGENTS. North British & Mercantile Insurance Co. Norwich Union Fire Insurance Society. Caledonian Insurance Co. of Edinburgh Scottish Union and National Insurance Co. Connecticut Fire Insurance Co. Standard Life Assurance Co. of Edinburgh. British America Marine Insurance Co. Norwich & London Accident Ins. Assn. American Surety Co.</p>
<p>ALF. W. SMITH, —AGENT— Imperial Fire Insurance Co. —AND— British Empire Life Assurance Company. TORONTO STREET, TORONTO.</p>	<p>F. BARTELS, (Established 1875.) ST. HYACINTHE, QUE. General Insurance Agent and U.S. Vice Consul. Representing, Fire: Western, British American, Imperial and Fire Insurance Association, Life: Canada Life, Accident: Sun and Travelers' Guarantee: Guarantee Co. of N.A.</p>	<p>A. HOLLOWAY. <i>General Agent, WINNIPEG.</i> Glasgow & London Fire Insurance Co. Quebec Fire Assurance Co. London & Lancashire Life Assurance Co. British & Foreign Marine Ins. Co. London Guarantee & Accident Ins. Co. Eastern Assurance Co. of Canada. National Assurance Co. of Ireland.</p>
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From the *Post Magazine and Insurance Monitor*, London.

The second and enlarged edition of this standard work is welcome, and more than welcome. It not only furnishes British managers with a broad knowledge of United States and Canadian law and practice, but it also contains a mine of valuable data, out of which may perhaps be fashioned new forms and conditions of home business suitable to the spirit of the age.

From the *Baltimore Underwriter*.

While the Text-Book is encyclopaedic in its scope, its legal and historical features are particularly valuable. As a historical record it abounds with facts for useful and convenient reference, gathering together material otherwise widely scattered, and as a practical digest of court adjudications upon the vexed questions which have led to so much contention in fire underwriting it is comprehensive to the last degree. Fire insurance companies and agents who possess themselves of this indispensable book will thank us for calling their attention to it.

From *The Budget*, Toronto.

In truth, no underwriter's library is complete without it. * * * Mr. Griswold, the respected author, has once more placed the profession under obligations for the able and exhaustive work he now puts before them, and as one of the number we offer him our hearty thanks for it, and compliment him on the completion of this revised edition of the Fire Underwriters' Text-Book.

From *The Chronicle*, New York.

The preparation of this second and enlarged edition is due to a considerable demand which has recently sprung up for Mr.

Griswold's great work. As we happen to know, a few months ago second-hand copies of the 1872 edition could not be purchased for less than fifteen or eighteen dollars, and they were hard to procure even at that figure. There is no other book that equals this in value to the working fire insurance man. It has been happily called "a law book, a hand book, a history and an essay, all in one."

From the *American Exchange and Review*.

The Text-Book might be pronounced as chiefly an exposition of the fire insurance policy from the fire-loss adjuster's standpoint, and by this we mean the fire policy from the *application* of its terms to the full settlement of loss under it. Back of the policy are surveys, classifications of risk, fire probabilities, ratings, etc.; collateral with the policy are liability, funding, corporate conditions, office usages; but these receive secondary rather than primary treatment. * * * We congratulate the author that he has been enabled to make this valuable addition to the other valuable services of his life.

From *The Coast Review*, San Francisco.

No fire underwriter will willingly do without this work. * * * The first edition was printed in 1872. The changes in methods of practice, and the more important judicial decisions in the intervening seventeen years appear in the revised work, thus bringing it down to the present day. Some 2,500 subjects are referred to. The index covers fifteen pages of thirty columns.

From the *Insurance Age*, New York.

Mr. Griswold has long been recognized as one of the most reliable writers upon technical subjects related to fire insurance. The present work has been revised and brought down to date. Cornelius Walford once referred to this work as follows: "Literally a hand-book for every underwriter in any part of the world where the English language is spoken. Its aim is cosmopolitan, its usefulness inexhaustible."

From *The Standard*, Boston.

The Text-Book, originally published in 1872, has been out of print for some time, and as the new edition is limited to a few hundred copies, it will be well for those desiring this trust worthy guide to secure a copy early. The work comprises over 900 pages, is bound in sheep, and can be obtained at \$10 per copy.