

therefrom, and whose fortuitous workings of the market—and subsequent miseries—bring the whole business into an undeserved disrepute. At the same time, while the volume of transactions has been comparatively small ever since the pricking of the bubble, values have been keeping firm to a very satisfactory degree and, indeed, for some time past, they have been gently but steadily creeping upward.

During the past few months, too, one factor has been at work which, without attracting any great notice outside those immediately concerned, has done much to strengthen the general situation. The attention of the true investor, as contra distinguished from the speculator, has been drawn to the extremely reasonable prices of some of the securities offered on the Montreal and Toronto stock markets, and he has put his money in them "for keeps." A larger proportion than usual, therefore, of the shares listed on our 'Changes, is probably held in strong hands, and this—to make use of an expression much favored a year or two ago—does much to clear the atmosphere.

Another feature which helps the situation is the fact that very similar conditions prevail in the United States—and we cannot claim to have "no connection with the firm across the road," so far as the American stock centres are concerned. We are influenced by the changes in New York, and influenced strongly. But the same slowly upward movement is visible there; strong hands hold a large proportion of the popular stocks, and in many cases, through undisguised manipulation; the general business position of the country has improved; and, on the whole, the indications point to a steady rehabilitation of confidence both there and here.

THE CROP.

Our Winnipeg correspondent wired us at noon yesterday to the following effect: Harvesting and threshing have been considerably delayed during the past week by general wet weather throughout the West. The rains have not been heavy, however, having been chiefly in the form of light showers, and no lodging of grain is reported. Cutting is practically finished, and with favorable weather threshing will be general. Latest districts report some damage from heavy frost. Altogether reports are satisfactory for although the crop has been badly damaged in some parts, the good yield of the greater part of the country will bring up the average.

A MORAL FROM RECENT FIRES.

We have been asked as to what moral could be drawn from the two recent disastrous fires in Halifax, and, though explanations are proverbially but unsatisfactory things at the best, we will proceed to make a few comments as they occur to us. In the first place, fortunately for Halifax, it is not so easy to draw a convincing moral as it is in some other cities which have suffered from disastrous conflagrations. Of course it is a somewhat striking coincidence that

two severe and such similar fires should visit the one place at practically the same time, especially when it is remembered that this particular city has been more or less free from bad conflagrations for so many years. But Halifax—comparatively speaking, of course, for much yet remains to be done before perfection can be reached—is a place where the citizens have been sensible enough to take time by the forelock, and to save themselves much anxiety and much loss by putting in a reasonably good fire-fighting equipment; moreover, it is situate within easy distance of other places where good fire-fighting appliances could be called upon if necessary. It is true that in the fires referred to, the lack of fire-tugs made itself severely felt, and that this is a lack which was pointed out to them long ago, but this is an oversight which we believe is soon to be remedied by the Haligonians, usually quick to remedy a recognized defect, even if they be as conservative as they are reputed. Again, there is a very large proportion of wooden buildings in Halifax, and this is an element of danger, especially in a gale such as that which raged on Thursday night. It may be confessed, however, that we have not yet found a moral, so far as this particular city is concerned; probably, indeed, the only really strong one would be that, even when everything possible is done in the matter of protection and equipment, there still remains an absolute necessity for fire insurance.

And for this to be, and to continue, of the strongest and most unimpeachable character in the matter of true protection, it is necessary that the rates should be based upon precise and scientific standards. First get your data, then arrange the cost of premiums accordingly. That this has not been fully carried out in the past was shown by Mr. Chas. D. Cory, in a paper which he read before the Insurance Institute of Toronto some months ago. In this address, with the aid of a very ingenious chart, he showed that the business of fire insurance in Canada, taking a period from 1869 to 1902, has been run at a loss, taking the general average, one year with another, of something like \$150,000 each year. What is needed then, is that competent actuaries should draw up a schedule of rates high enough to recoup the companies for their losses, and large enough to allow not only for the losses which maintain a steady drain upon their resources in average years, but for the big "conflagration" which, coming though it may be rarely, yet eats up not only all the narrow margin of profits which have been left by the normal annual fire waste, but requires a reorganization of capital to meet it. In addition, each hazard should pay a premium according to its merits or its demerits. The province or locality which burns up more than its fair share of premiums should be taxed accordingly, not be helped out by its less careless neighbor. And in particular cities, congested or dangerous sections should be made to pay for the peril they cause, not have their burden lightened by being averaged with risks which pay more than their fair share of clear profit. The general moral, then, is for the insurance companies to keep their rates sufficiently high to protect themselves against loss, and to give fair interest on their investment.