

their escape cut off by the burning narrow stairways, preferred to jump into a net rather than await a rescue, seemingly slow, by means of fire ladders. Overhead wires and poles played their usual obstructive part in making difficult the work of the firemen. Notwithstanding the existence of laws requiring the placing of fire-escapes upon all buildings where there are persons employed in manufacturing, the above building was found unprovided with fire-escapes, and it is now stated that there was some conflict of authority regarding the inspection and responsibility, so that whether the Municipal Inspector or the Government Inspector is the responsible party for the overlooking of what is almost a criminal neglect has not been made clear. It is pertinent to inquire if these exist in other like premises in this dangerous condition within the city limits, and, if, so, if they will be warned in time by this incident. The "Army and Navy" establishment, just burned, I believe was a well-known name in connection with the late famous John Eaton Co. case. Mr. Henry Lye has the adjusment in hand, so close attention to all details will be certain in the interests of his clients.

The quarterly meeting of the C. F. U. A. in Toronto has been adjourned to Wednesday, the 20th instant, and, in consequence, the annual meeting of the Toronto Board has also been adjourned to meet on the 21st instant. In view of the many important interests involved in considering the intended advance in rates, it may be well that a little further consideration of the present situation and the outlook of fire insurance in Canada be well thought out in all its bearings, and time taken by the companies for private conferences, one with another, because all interests are not identical. Hasty legislation is too often faulty legislation, and, while all insurance men are agreed that the present revenues derived from their business are inadequate to meet the losses and expenses, and this over a series of past years, they are not quite agreed as to details of procedure in the work of augmenting the said revenues. A little extra time spent in informal deliberations will be well spent.

The oft-recurring question of rates will be discussed, we may be sure, at these coming meetings with an unusual vigour, intensified by the well-understood expectations indulged by head offices in England and the United States, that instant steps will be taken to put business on a paying basis. That an advance in rates will be made is certain; just whether it will be general or only applied to certain classes of well-known non-paying hazards is a question to be discussed. It is my opinion that a flat percentage advance over the whole area of operations controlled by the C. F. U. A. is the correct and reasonable thing to do. If an exception must be made, let it be in favour of dwellings and contents. It is well-known in fire insurance practice that certain classes of risks for a series of years will yield excellent returns and then suddenly change round and become non-paying. There was a day when farm risks were great favourites; how are they looked upon to-day? The experience of every underwriter affords instances of these ever-varying phases of the risks to be classes as profit-makers. To legislate against this or that hazard, or class of hazards, particularly and extravagantly would, in my mind, be a mistake, and might unnecessarily exasperate owners, our customers. To place a general and equal increase over the whole field is

simple, and, if sufficient in extent, should meet all requirements, besides being something the general public could readily understand. There has been a deficiency of premiums over a series of years; therefore, if the companies are to continue in business and give protection, they must gather sufficient revenue to meet their needs; this is the whole case. The community has not paid for its protection.

All insurance rates should be scientific, and that only being based upon such admitted and well-understood lines as admit of explanation and justification if challenged. The base rate and its regular additions, or loadings, varying to meet varying cases, may be insufficient, and, from time to time call for re-adjustment, but they should always be capable of dissection and justification in all details. Unfortunately, the records of the business show that scientific rating is too often sadly marred by what I call, for lack of a better term, Politic Rating. This is the kind of rating that knocks out theories of ratings. It is a style of work that may or may not prove profitable to the companies, but is a sure thing always in the interest of the agent. Its effect is to go by, ignore, for reasons at the time alleged, the scientific or proper rate, and by so much reduce the premium called for by the regular tariff. These reasons may be more or less plausible. A lowered rate may be named, conditional upon the whole of a large line being placed in Board Companies exclusively. It may be urged by some one of influence that a risk is better than its class and so on. Even the reduction for Sprinklered Risks is too generous by half and as applied to the few comparatively scattered individuals of the class is, I think, a mistake, though it was considered politic to keep these risks in this country at the price. There are other instances of politic rating, but my space forbids my going on. I would record my vote against any favoured risks. The time is inopportune.

One of our Ontario fire insurance companies, following its yearly custom, has just given a list of the ascertained causes of fires by which it suffered loss last year. I have noted one curious item: "Feeding hot ashes to a pig." The inference is that the pig sty took fire and burned up the outbuildings. I do not pretend to any knowledge of the care and management of a farm, or of raising stock (other than insurance stock), but it strikes me as a rather peculiar diet for a bacon hog to have served to him, even if it be his destiny to be well smoked some day. A friend at my elbow suggests that ashes might be given some animals on account of the lye in them, with the object, I suppose, to make false weight before the day of sale. But why hot? Could anything be rasher?

Yours,

ARIEL.

Toronto, 12th February, 1901.

LONDON LETTER.

31st January, 1901.

FINANCE.

I should think that by this time, the readers of this letter in THE CHRONICLE would think that I was neglecting my duty as a veracious scribe if I had not a financial sensation each week. My word, haven't we been having lively times in the city recently. Surely the densest provincial shareholder will