

**MR. B. HAL BROWN IN THE WEST.**

Mr. B. Hal Brown, president of the Prudential Trust Company of Montreal, has returned from a four weeks' visit to Vancouver B.C. and other points in that province, where he has been in response to a telegraphic request emanating from the Board of Directors of the Dominion Trust Company to consult with them respecting the difficulties which have arisen in the latter company.

Mr. Brown informs us that the affairs of the Dominion Trust Company are in a most complicated condition, and will require considerable time and hard work, even on the part of the most experienced liquidator, in order to present anything like an intelligent statement. The share capital is entirely dissipated, and it is very problematical whether the assets will be sufficient to pay the investors, creditors and depositors.

The present difficulties, Mr. Brown states, are undoubtedly the result of the adoption of a policy directly contrary to that which should govern the management of reputable trust companies. The seeds of disaster had been sown, and were ripening fast. While the effects of the present war may have accelerated conditions, war or no war, disaster sooner or later was inevitable.

Mr. Brown was anxious that the interests of the clientele of the Dominion Trust Company should be served with as little interruption as possible, and it is satisfactory to learn that a number of overseas corporations and individuals have arranged for the proffered services of the Prudential Trust Co., of which Mr. Brown is the head.

Referring to business conditions in the West, Mr. Brown states that while the present general depression is naturally very keenly felt there is still a spirit of optimism everywhere apparent, and a feeling of absolute confidence that values will be restored as soon as normal conditions prevail, following the close of the war.

**DWELLING HOUSE MORAL HAZARD ABNORMAL.**

President E. G. Snow, of the Home of N.Y., in a letter to his agents writes:—

"In times of great business depression and uncertainty such as prevail at present it is perhaps natural for insurance companies to expect some increase in the moral hazard, for that has been the general experience of companies in the past. The element of moral hazard, however, has heretofore manifested itself in an increase of losses in mercantile and manufacturing risks, but our attention and that of other leading companies has recently been directed to the abnormal number and unusual size of dwelling losses which are being reported, which conveys the impression that the moral hazard at the present time may have shifted from the assured's place of business to his dwelling, particularly when the latter is well insured and the amount invested therein is really greater than the state of his business warrants.

"We are therefore prompted to suggest that, in view of the above possibilities, all dwelling losses, particularly where large amounts are involved, receive more than ordinary investigation at the hands of our State and special agents and adjusters, and that particular attention be paid to the condition of the claimant's business affairs at the time

of the fire. We desire to treat all meritorious claims with the greatest degree of fairness and to dispose of them with our usual promptness, but there is undoubtedly some reason for the extraordinary number of dwelling losses which are occurring at the present time, and we should be pleased to have our representatives use their best endeavors toward ascertaining the cause, if it be at all possible to do so. If there is any element of doubt in regard to the origin of the fire, or any suspicious circumstances connected therewith, it would be well not to exercise undue haste about paying the claim."

**LESSONS OF THE EDISON FIRE.**

Considering the amount of explosive and inflammable material used and stored in the buildings of the Edison Company at West Orange, it seems strange that the structures themselves should have proved to be so easily and swiftly destroyed by fire. That a building in which moving picture films were manufactured on a huge scale should have been constructed of wood, if that is a fact as reported, is particularly strange. The business of providing these means of popular entertainment has grown rapidly, and presumably there has been some haste in providing, extending and equipping buildings for the manufacturing work; but some of the materials were known to be explosive and peculiarly inflammable, and one would suppose that special precautions would be taken. A single explosion in one apparently flimsy structure caused such a sudden and fierce conflagration that the surrounding buildings were speedily swept to ruin.

It is said that some of the buildings were of reinforced concrete and were considered "the last word in modern fireproof factory construction," and yet the flames ran wildly through them from cellar to roof without the possibility of control. This shows, says an American journal, how much more important the interior arrangement and contents of a building may be than the material of which its walls are constructed in case of fire. If it starts by explosion in the midst of a great mass of inflammable and swiftly burning material the heat will speedily become irresistible. Almost every seriously destructive fire carries its lesson, but it is seldom heeded by those who have not suffered from the experience. The risk taken at West Orange appears in the lack of sufficient insurance against loss, as well as in the character and grouping of the buildings and the nature and arrangement of their contents. There is to be a speedy rebuilding in which the costly lesson will probably be applied.

Mr. Randall Davidson, manager for Canada North British & Mercantile Insurance Company, is in Winnipeg this week.

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Mr. E. Gissing, of Toronto, accident manager for Canada of the Norwich Union Fire, was in Montreal on Wednesday this week.

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Mr. C. W. I. Woodland, of Toronto, joint manager for Canada The Employers' Liability Assurance Corporation, was in Montreal this week.