

MESSRS. McADAM, SHERRITT & CO., TORONTO.

Mr. A. W. Perry, secretary of the Saint Paul Fire & Marine Insurance Company, St. Paul, announces the appointment of Messrs. McAdam, Sherritt & Co., as General Agents of that Company, for business in the City of Toronto, with offices centrally located in the Excelsior Life Building, Toronto Street, Toronto. The firm consists of Mr. S. McAdam, lately connected with Mr. F. A. Lett, a prominent insurance agent in Barrie, Ont., and Mr. George A. Sherritt, Superintendent of Agencies for the Saint Paul in Ontario and Quebec. We understand Mr. Sherritt will continue to look after the interests of the Company as heretofore, in both Provinces, in his capacity as superintendent.

Both these gentlemen have been connected with the business of fire insurance for many years, and are well acquainted with conditions in Toronto, where both are well known and popular. With such advantages the new firm representing a company with such a high standing as the Saint Paul enjoys in Canada, should render a good account of itself. The St. Paul has been transacting the business of fire insurance for more than half a century, and has assets amounting to over \$13,000,000, with a total income of over \$10,000,000. It entered the Canadian field about nine years ago, where it has earned a high reputation for prompt settlements and honourable dealings with its policyholders. It writes a conservative volume of business in proportion to its substantial capital and surplus. Its progress has been excellent, under successful management. In addition to fire, the company transacts marine, automobile, hail and tornado insurance.

FIRE INSURANCE A COMMODITY.

It is a prevalent practice to speak of fire insurance as an article of merchandise, which can be bought and sold like any other article of commerce, which while correct in some senses, is decidedly erroneous in others; and not only erroneous but the direct cause of much misapprehension. Business men accustomed to mercantile practices, naturally seek to buy their insurance like everything else merchantable, as cheaply as possible. When circumstances demand an advance in premium rates, as they do at present, they are apt to believe that an effort is being made to "corner the market", and they do all they can to resist an advance.

Monopolies they say, are constantly being formed to control prices in grain, flour, sugar, manufactured products, and the like, and since insurance is a commodity, just as those named are, its price can be controlled in like manner, hence they imagine that any advance in premium rates must be the result of such a conspiracy among the companies. But they overlook or are ignorant of one very important distinction, which makes all the difference in the world between the two cases. The quantity of corn, wheat, sugar or other natural or manufactured product of the country at any one time is limited (even in normal

conditions), and is the result of circumstances beyond human control.

The most erroneous opinions appear to prevail in the public mind regarding the profits made in the business of fire insurance. Many unthinking insurers rail against tariff companies, stigmatizing them as unjustifiable combinations, the outcome of powerful and wealthy monopolies. This feeling no doubt is partly the result of a total misconception of the basis on which the true profits of fire insurance are calculated, and the failure to comprehend the difference between a transaction in fire insurance and one in ordinary trade. This difference consists in the fact that the sale of fire insurance, unlike that of commercial commodities, is for an uncertain period and an unknown quantity.

Very little money is made on underwriting nowadays, the companies relying largely on the interests from investments for the payment of dividends. The underwriting profits being returned to policy-holders in payment of losses, and the balance, if any in some cases, is applied to strengthen the condition of the companies, to build up their assets and surplus funds with the great object of rendering the indemnity guaranteed to policyholders all the more secure.

A capitalist and manufacturer was complaining to an insurance official of the high rate which he had been charged as premium on one of his mills, that it was "perfectly enormous" that the insurance companies were making all the money, as evidenced in the large dividends which they were declaring, after hearing all of which the insurance man suggested that the suffering party had the remedy in his own hands, which it was somewhat surprising he did not avail himself of. "What is that?" said he. "Why invest some of your funds in a fire insurance company just being formed here in Canada, and appropriate some of the enormous dividends you would receive on your stock, toward reducing the extravagant premiums you are charged for insuring your property."

"Oh!" said he "the risk of such investment is too great for me."

"Then complain no more of the rate of premium charged by those who are willing to take the risk for a chance of profit on a business which is too risky for you."

More than 50,000 automobile license tags are expected to be issued in Saskatchewan by the provincial secretary's office during this year, or an increase of 17,000 over the total registration of 1917, when 33,000 licenses were granted. Estimated at 50,000 automobiles, there will be one automobile to every fourteen people in Saskatchewan. The number of applications received up to the present is slightly more than 32,000.

They had lost their way in their new and expensive car.

"There's a sign, dear," she said to her husband, who got out of the car and flashed his flashlight on the board.

"Are we on the right road?" she asked.

He read: "To the Poorhouse."

"Yes," he answered. "We're on the right road and we didn't know it."