The Insurance Chronicle

July 20th, 1907.

SOUNDING THE ALARM.

Mr. Randall Davidson, of Montreal, has deserved well of the community in which he lives by his courageous exposure in a Herald interview of the shameful laches of the city authorities in arrangements for fire protection. The state of things in Montreal as he pictures it—conditions which forebode conflagration on the one hand and threats to withdraw insurance on the other—must be unknown to the average business man of that great city.

Examine for a moment the statements of this fire insurance manager concerning fire-fighting arrangements and fire investigations in one of our chief cities: "The enquiries [of the Fire Commissioners] are held in "secret; they should be public. They are held by un- "qualified men; they should be held by men who know "their business. These men are appointed by the Gov- "ernment, and, although the fire underwriters pay two- "thirds of the cost of the maintenance of the Fire "Commissioners, they have no say in the selection of "the men to discharge these important duties."

There are further reminders of what has been discussed, admitted, promised, for years in improvement of Montreal's fire-fighting machinery, but has never been done. In 1901 Mr. Janin, superintendent of the civic waterworks, declared publicly that he must absolve himself from blame, should any serious disaster occur by reason of the possible breakdown of one or more of the pumps at the waterworks. In August, 1901, the chief of the fire brigade, Mr. Benoit, publicly disclaimed responsibility for fires during the winter to follow, declaring that no city of its size in either the United States or Canada was so inadequately supplied as Montreal, especially with hose. In October, 1904, Mr. Benoit stated that the city was short 20,000 feet of hose. And in 1905 the council of the Board of Trade protested to the Mayor that the fire protective measures were entirely inadequate to the growing needs of the city.

Has anything been done? Yes. One new pump is being slowly put together. The city obtained leave from the Legislature to install a high-pressure water system. The underwriters were to reduce premium rates when that should be provided. But it has not been provided. Toronto and Winnipeg are installing systems without any such promise of reduction. They recognize how essential these are. Had it been installed in Montreal, says Mr. Davidson, it would have cost the merchants, say, $800,000, and they would have saved in premiums during the first year no less than $340,000.

Another startling fact is that there are only four policemen on duty at night in the congested area of that city, and that there are, for the whole city of 300,000 or 400,000 people, only 102 policemen on duty at nights to patrol 180 miles of streets.

Then there is the electric wire nuisance and menace, to which reference has been made already. The Canadian Engineer, which gives in its issue this week an illustration of the tangle of wires which infests the streets of Montreal, says: "It is difficult to believe that "a great and prosperous community like Montreal can "be content to rest long under such a stigma as is here "conveyed." "It would not be tolerated anywhere "else," says Mr. Davidson; "but public opinion seems "dead here." Individual protests, a remonstrance from the Board of Trade, threats of higher rates and the withdrawal of insurance—if none of these things move a supine and care-free city council, it is evident that mass meetings and denunciations will not. A great fire would bring them to their senses.

LIFE, ACCIDENT AND CASUALTY NOTES.

The Ottawa offices of the Canadian Railway Accident Insurance Company have been removed to convenient premises on Wellington Street, opposite the Houses of Parliament. Mr. Emo, the general manager, reports an increase of $40,000 in premiums in the first half of this year as compared with same period 1906.

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The first meeting of the promoters and provisional directors of the new Prudential Life Insurance Company of Canada was held in Montreal last week. The authorized capital is $1,000,000, of which $500,000 is offered for subscription. Mr. R. H. Matson, of Toronto, was appointed director and secretary-treasurer, and has already entered upon the duties of his office. Mr. Matson knows Canada well, and has had a long experience of life assurance, both field and office work. He has many friends; and his perseverance deserves full reward.

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At a recent session of the Texas Legislature "Judge" Robertson introduced a bill to require life insurance companies, doing business in the State, to invest in Texas securities or real estate 75 per cent. of the reserves on Texas policies and deposit the securities in the State, to be taxed by local authorities. An estimate is that the reserves on Texas policies amount to $40,000,000, making $30,000,000 as the amount for investment in the State. Intelligent press comment showed that, from the standpoint of the policyholder, the agent, the landlord, the borrower, the people generally, a grave mistake was made by the passage of a radical and unnecessary law with which it is impossible for the companies to comply. And the companies are not complying; the Mutual, the New York, the Metropolitan, the Ætna, the Union Mutual and nine others have left the State.

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A week or two ago the showing made by the fire department of the Royal Insurance Company for 1906 was referred to in these columns. It is of interest now to learn that the life department of the Royal is about to enter into a more extensive development of its business in Canada. We are told that Mr. A. R. Howell, the life superintendent, is at present in the Far West for the purpose of making arrangements for the establishment of new branches at Winnipeg and Calgary. Under the scheme of extension a sub-inspector of the life department, in the person of Mr. W. E. L. Coleman, has been arranged for at Toronto. Mr. Coleman has been in the service of the life department of the company for some years. It is also intended to appoint a sub-inspector at London, Ont. It is stated that the applications for new business for the year 1907 show a very large increase over the applications for the corresponding period of 1906, so that a company with the prestige of the Royal has excellent prospects for new business. The very considerable volume of life business enjoyed by the home office of the Royal is shown by the figures of the company's report for 1906. The total premiums of the year were £687,127, equal to $3,435,000. In 1906 there were written 3,110 new policies, assuring £1,347.532, equal to $6,737,660 of assurance.

ACCIDENT UNDERWRITERS' CONVENTION.

International Association Has Successful Cathering, But Overlooks an Important Matter.

The convention at Frontenac, N. Y., last week of the International Association of Accident Underwriters was a most agreeable gathering. An average attendance enjoyed the excellent arrangements made. The president, Mr. Alexander, gave a comprehensive address, and Mr. Tillinghast's paper on the qualifications of an Accident Adjuster was a forcible exposition of the subject from the point of view of a breezy Westerner.

Equally noteworthy, but totally different in style, was Mr. Farr's paper on "What Is a Legal Accident?" Able, scholarly, polished the paper was unusually enjoyable. Neither of the state superintendents present threw any noticeable light on the subjects of discussion. Mr. Cohen, editor of "Views," was more interesting. Mr. Faxon's exposition of the Missouri Suicide Law was able, but outside the consideration of the Canadian.

The hospitality of the occasion was memorable. From excursions on the water to golf on the green no form of pleasing recreation seemed to be ignored. As to the banquet, which was one of the most enjoyable on record, not only were the viands unexceptionable, but the music was rare. In taste of selection and skill of rendering the music of the 1907 convention was worthy of the highest praise.

One wonders why all this intelligent disquisition, this earnest discussion, this friendly intercourse of sensible men engaged in an honorable business does not result in their doing something collectively, which every individual needs