

### VALUE OF A GOOD FIRE BRIGADE ILLUSTRATED.

WHEN some of our municipalities are haggling over the cost of a more efficient fire brigade and its accessories, they may study with profit a statement as to the effects of a reform effected in London, England, in this respect. For some years before 1890, in spite of the earnest protestations and desires of the fire insurance companies, the fire brigade of the Metropolis was allowed to decline in cost and efficiency. Although population was fast increasing, the brigade cost \$2,385 less in 1888 than in 1884, and the equipments remained almost at a standstill. In 1890 the Fire Brigade came under the control of the County Council. At once the staff was enlarged, the stations increased in number, the mechanical equipments improved, the hydrants doubled, and the annual cost went up by \$145,000 in five years. The effect was most satisfactory. In the years from 1884 to 1888, when the Fire Brigade service was "starved" by false economies, 72 out of every 1,000 fires were classified as "serious." When the Brigade was improved, the "serious" fires per 1,000 fell to 60,—a decrease of 16 per cent. In 1885 when the Fire Brigade was left in a state of great inefficiency in order to save expenses, "one-eleventh of the fires became serious," says a writer in the *Contemporary Review*, while under more liberal and wiser management the proportion of serious fires fell to one-twentieth. The difference in a fire being "serious" or not represents usually a loss of more than the entire sum by which the cost of the Brigade was increased, indeed, one "serious" fire is liable to entail a loss equal to the annual cost of the whole Brigade. In the area served by the Brigade above named, the reduction of serious fires from one-eleventh to one-twentieth means an annual average of 120 fewer serious fires. Allowing \$10,000 to have been saved in each case,—a very moderate estimate,—we get total saving of \$1,200,000 in each year, as the direct result of an extra expenditure of \$145,000 in improving the fire protection service under control of the London County Council.

Economy in municipal expenditures is most desirable as a general rule. But there have been very many cases which proved that so-called economy in a fire protection service may be far more costly than even extravagance.

### NATIONAL SAVINGS AND THEIR EFFECT ON THE RATE OF INTEREST.

Mr. N. B. Gunn, F.I.A., F.F.A., manager of the Scottish Amicable Life Insurance Society, took the above as the subject of his inaugural address as president of the Insurance & Actuarial Society of Glasgow on the 9th November, a report of which appeared in *The Insurance Record*. Mr. Gunn referred to the appreciation that had taken place within the last few years in the value of securities, especially of "gilt edged" investments, this appreciation being due to the largely increased demand for securities of the best class, the direct result of the enormous amount annually saved by the nation. In order to find the amount of the national

savings, a detailed valuation, based on the income tax returns, was given, showing that the accumulated capital of the nation in 1895 amounted to £12,000,000,000 sterling, which represented £306 per head of the population. The amount saved and placed in investments of one kind or another during the last ten years is estimated at not less than £1,600,000,000, while the new securities of the best class created during the same period did not amount to one-ninth of that sum. The effect of the inadequate supply of "gilt-edged" securities has been that these have appreciated in value, and the rate of interest they return has fallen. Mr. Gunn limited his inquiry as to the extent of this fall to the last ten years, and showed that with the exception of slight irregularities caused by the Baring crisis and the American currency difficulties, the rate of interest had steadily decreased during that period from £3 9s. per cent. in 1886 to £2 14s. per cent. in 1895. There are so many causes operating in different directions that it is difficult to tell whether this tendency downwards will continue. On the one hand, if the conditions remain as they are at present, with a moderate degree of prosperity and with no financial upturnings to interfere with the money market, the country should go adding to its savings, and the demand for high-class securities should become greater, while the rate of interest should fall still lower than at present. On the other hand, powerful elements in the opposite direction may arise. A complete restoration of confidence in the United States, leading investors to send out large sums of money to that continent; a European war, causing destruction of capital; a general loss of confidence resulting from bank failures; a large expansion of trade opening up sources for development of capital in this country; the evolution of some new industry, like that of railways; a greater demand for capital on behalf of the colonies; any one of these would help to absorb the savings of the country and to keep up the rate of interest, so that it is impossible to forecast the future.

### ACCIDENT ODDITIES.

A London daily has made a collection of accidents of an odd character, all which go to show to what extraordinarily trifling causes many persons owe serious injuries. Thus we have a man's eye injured by handling his child's toy; another parent blinded in one eye by a child's finger being thrust into it; a surgeon fell while dancing, and was badly hurt; an insurance agent slipped on his kitchen floor, and suffered injuries which entitled him to \$5,000 indemnity from an accident company; a merchant playing with his children hurt his ankle seriously; this we can parallel by the case of a wealthy Torontonion, who was fatally injured when playing with a child; a person trying to kick a dog struck his foot against a sofa, and so injured his great toe as to bring on a long illness; a carpenter trod on a nail, which brought on a fatal illness; a person while in bed was blinded by lime falling from the ceiling; a lawyer fell over his bag, and got \$400 for damages. Such incidents happening constantly show how prudent it is to have an accident policy.