

finance will probably wear itself out—unless of course the French and British were to meet crushing reverses. If the panicky selling of American securities by Europe were stemmed, the demand for exchange would be sensibly lessened and the market might find its equilibrium. It is to be noted, too, that imports by North America from Europe are likely to be insignificant for some time to come. This also bespeaks a dwindling demand for bills on London.

All things considered it does not seem that Canadian and American corporations and houses which have coupon or other obligations to meet in Europe should fall into a panic as regards their ability to purchase the necessary exchange. The probabilities are, that if they keep their heads, they will be able to get exchange on fairly reasonable terms in the course of a little while.

WHAT INSURANCE DOES.

So accustomed do men become by familiarity with the operation of some of the most potent forces in the natural world, that they are unconscious of their value until startled out of their listless mood by some unusual exhibition of these forces. The never ceasing, noiseless heat of the sun's rays which pervades the universe, working daily a myriad of miracles of creation, and moving the many wheels of nature's complicated machinery, is little noted as the days go smoothly by. But when the sun's alchemy generates the dangerous gases in the pent-up laboratory of the inner earth, and the earthquake shock follows, men are startled into compelled recognition of one of nature's greatest forces. So in the business world some of its most important factors are little noted because of their very commonness. Prominent among these factors is fire insurance, which has become so thoroughly incorporated into the structure of the commercial world that its importance is apt to receive tardy recognition. It is only now and then, when the unusual happens and the world is startled out of its complacent mood by a vast conflagration, that men stop to take an inventory of the value of fire insurance as a regenerative factor. And yet, quietly, effectually and indispensably, every day and month and year this agency restores ruined credit, replaces the walls of mammoth stores and factories, and re-creates the famished home. It places new goods upon the new shelves of the shopkeeper, sets in motion once again the machinery of the manufacturer and rings out an anthem for rebuilt church and college. It exchanges among all classes the dismal night of calamity for the new, bright day of hopeful opportunity, banishes bankruptcy, and saves communities from financial prostration.

The business of property insurance, either fire or marine, has come to be an essential part of nearly all other kinds of business in the world, and its value as a balance-wheel to all industrial machinery can scarcely be overstated. The merchant of limited resources expands his credit by means of well-placed insurance; the vessel owner and the shipper alike protect their ventures by calling in the aid of insurance capital; the manufacturer doubles his producing capacity by confiding in insurance; and the frugal builder of a home in need of more money gets it

through the recognized security of an insurance policy.

It is true fire insurance does not create capital—several million dollar's worth of property burned up is so much value gone from the world's assets; but fire insurance does what, to the individual, is the same thing as creating capital, for it makes good his loss. It is a kind distributor of a fund contributed by the many for the preservation of the few, every contributor well knowing that he may be one of that few, and that if he is, his protection is assured. Thus fire insurance goes on from year to year, standing in the place of banker to that portion of the community who in the stress of fire would, but for its open purse, drift into hopeless bankruptcy, dragging scores after them.

The world without insurance to-day would be a world of commercial chaos.

OUR ANNUAL FIRE LOSS.

Canada as a young nation has many things to be proud of, many things to regret, and some things which should be a disgrace to any country. One of the latter consists of our enormous fire waste. In the year 1913, Canada suffered a financial loss of approximately twenty-six million dollars by fire, and this amount represents only the loss by the destruction of buildings. To this should be added the actual money loss caused by interference with the continuity of business, the losses to public utility companies, in wires, meters, telephones, etc., and also that of the municipal corporation in requiring the use of expensive fire fighting equipment.

How long shall we allow this disgrace to continue? When a forest fire consumes a large tract of our best merchantable timber we sit back and expect nature to replace the loss. When we, through utter carelessness, burn up that which the energy of man has produced, we simply ask the question: "Was it insured?" We forget that we are, indirectly, paying the insurance. The company which has carried the policy occupies the position of the middleman, collects the premiums and pays the losses, collecting in addition whatever amount is required to cover the expenses of conducting the business and paying dividends.

The man who through carelessness takes the life of another is guilty of manslaughter. The man who through carelessness destroys by fire either his own property or that of another is equally guilty of incendiarism, if not in the eyes of the law as at present construed, at least in the opinion of his fellowmen.

When government can be induced to appoint fire marshals, with power, after investigation, to place the responsibility where it properly belongs, and when punishment is meted out accordingly, then may we look for an improvement in our conditions. Our fire losses for the past three years have been as follows:

	Fire Losses	Deaths due to fires.
1911..	\$21,459,575	317
1912..	22,900,712	203
1913..	26,346,618	236

With an increase of approximately three and a half million dollars in fire losses in 1913 over 1912, what may we expect in the year 1914? Will it be a still further increase, or will Canadians, by the exercise of individual care, show an appreciable reduction in this heavy drain upon their resources?