

having first class fire protection and of good moral hazard, so long as the price is in proportion. Fire Insurance companies are not organized, either to look after the equipment of fire brigades or to fix a standard for public morality, but to do business at fairly remunerative rates, to give indemnity against fire and reimburse their shareholders for the risk the latter incur. The Directors and Managers are in no wise different from those of Banks, who have money entrusted to them, to trade in a certain line of business.

We have thus endeavored to show, not for the first time, that Fire Insurance, like Banking or the rest of commerce, must be transacted on a profitable basis or not at all; and if an average rate say of one per cent. does not pay, no sensible person can blame the companies for charging one and a half or two per cent. if necessary. It has been whispered, in confirmation of what we have stated, that the Foreign Committee of the Fire offices in Great Britain has lately held a meeting to consider the question of their business in Canada, and we are sure neither the American companies with a Dominion license nor our native companies will deem the meeting untimely. We believe we are justified in saying that unless rates are advanced in Montreal, one or more companies may withdraw from the field just as a Bank will close a branch at an unprofitable point. This is what the public as well as the Insurance companies have to face, and there is no use blinking a matter which is of vital importance to both and which mere promises on the part of our City Council cannot relieve.

The Head Offices may well say that they have spent a considerable amount of money on inspection and in formulating rates with a view to discrimination between individual hazards, and "*cui, bono?*" The record of Montreal has been positively disheartening, and until that record is changed low rates are out of the question. To this the public may make up their minds, and what the City Council have to do is to set to work and show, that, in addition to the exhibition parades given to visitors, their brigade can handle and control fires in a manner which will bring down the loss ratio to the companies, and then, and not before, will the latter bring down the rates.

At the meeting which has called forth these remarks, it was decided after a long discussion to obtain (confidentially, of course) each company's percentage of losses, both in Montreal as a whole, and also upon certain particular classes of risks believed to have been especially unprofitable. This indicates that the offices desire to act justly and use discrimination in the advance to be made, which should go far towards allaying any feeling of irritation or unfairness that might otherwise be charged against the companies.

The question of specifically rating Montreal came up, but was postponed "*pro tem*," and we think it would be wiser to leave that subject to a later period when the pressure of higher rates may have brought about a better state of affairs so as to be able to start upon a lower basis than could be done at present.

The coinsurance clause proposed to be adopted in

Toronto was also considered, and a deputation from the Toronto local Board (which has recently been amalgamated with the Association) was present at the meeting, and it was decided not to press the matter just now, Toronto generally having been a profitable point for the Insurance companies. We cannot help remarking, in passing that it is a strange anomaly that Toronto, which is certainly not as solid in construction and whose water service is inferior to our own, should have paid the companies, while Montreal has lost them money.

In conclusion, the meeting was a most harmonious one, although dealing with an unpleasant topic and a luncheon, which took place in the interlude, to inaugurate the advent of the Montreal Branch of the Association to its commodious and handsome new offices in the Board of Trade Building, was a charming oasis in the midst of the fiery desert through which the caravan of Insurance Office had to pass!

#### THE CONFEDERATION LIFE ASSOCIATION.

It is always a pleasure to review the reports of this Association, as its business seems to indicate a healthy growth while conducted upon conservative principles; and although there is every disposition to extend operations with energy, there are no tendencies of temptation to cater for anything but the most desirable lives. Upon another page we present the twenty-first annual report, which affords interesting reading. This Association has the merit of having reached its present success without going beyond the limits of the Dominion; but such is the favor with which well-conducted Canadian life companies are being received by the insuring public elsewhere, that the Directors hint at the possibility of taking advantage ere long of the opportunities that are becoming apparent in selected fields. Indicative of the careful scrutiny observed, we find that nearly \$220,000 of applications were refused; while its new business is, at the same time, seen to be the greatest of any one year, the total thereof being \$3,672,591, covering 2,291 policies, or three-quarters of a million dollars more than were written in the preceding year. In 1891, the total insurance in force amounted to \$27,130; while for 1892 the aggregate was \$22,565,752 upon 12,914 lives, showing the very commendable increase of \$1,978,622. The total premiums, after deducting re-insurances, were \$716,979, including \$5,412 for annuities. Receipts for interest and rents footed up \$160,532; and the total income to \$877,511. The total disbursements, including nearly \$66,000 paid as dividends to policyholders, amounted to \$499,689, leaving a balance of \$377,822 to increase the reserve and add to the surplus. The surplus as regards policyholders now amounts to \$393,423, and the net surplus, deducting capital, to \$293,423. The total assets stand at \$4,115,171, and show a gain over those of the preceding year of \$439,879. It will be remembered, of course, that a further guarantee to policyholders exists in the uncalled capital of \$900,000. The death claims of the year 1892 only exceeded the previous year by \$1,870. The Association has nearly