

one risk better than another. This system at the inception of the Association was practical and satisfactory, but the development of the business, the adoption of more scientific methods generally, has necessitated a change, and upon the full consideration of the matter, the Committees in Toronto and Montreal, having charge of this particular work, recommended that this system should now be departed from and the more scientific one adopted of specifically rating each risk in accordance with a well prepared schedule. The recommendations of the Committees were unanimously endorsed, and the various points incidental to such a change as this will now be considered. It is only the principle that was confirmed and adopted at the meeting held yesterday.

This decided improvement in the method of rating the risks of the two Provinces is one that cannot but commend itself to every one interested in the insurance business, whether as assurers or assured. Hereafter all mercantile risks in all towns will, and as speedily as the machinery of the Association will permit, be rated under a schedule that has been moulded after the fashion of the Universal Mercantile Schedule, the product of the ablest minds in the business in the United States. This schedule not only fixes a basis rate according to the class of town, protection, construction, width of streets, lighting, etc., but also defines a basis rate for the standard risk in each of such towns, to this basis rate is added extras for height, area, deficiencies in construction, lighting, multiple occupancies and exposures. It is generally conceded that under some such system as this each risk will have attached to it a rate commensurate with its own and its surrounding hazard, unquestionably it is an accurate development of the science of underwriting, and will assuredly commend itself as being both sensible and just to those who are most interested.

The Association are to be heartily commended in making the change, it is true of a somewhat radical nature, but one which evidences that the Canadian Fire Underwriters' Association are keeping pace with the times, and striving thus to improve the character of the business and the results to the various companies' members thereof. In addition to the correctness and adequacy of the ratings, an equally if not more important point of advantage is that under such a system as outlined improvements in risks are met by commensurate reductions in rates, but such reductions are dependent upon the physical improvement in the risks themselves.

OBITUARY.

THE LATE MR. WILLIAM EWING.

Another old and highly respected citizen passed away on the 15th inst., by the death of Mr. William Ewing, at the age of 83 years. Deceased was well known in insurance circles, having been inspector of the North British and Mercantile from the time that company began business in Canada in 1863, up to his retirement on a pension in 1890. Mr. Ewing was born near Stirling, Scotland, where he practised for some time as attorney. His death is deeply regretted by a large circle of friends on both sides of the Atlantic.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents

LONDON LETTER.

FINANCE.

4th April, 1901.

Easter has come and business is at a low ebb necessarily. We have had the American and the Yankee booms, but even they have covered themselves up until the holidays are through. After next week business should be going ahead more than has been the experience during the first part of the year. The signs of the coming event are not missing.

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First there is a promise of a revival in Home Railroad descriptions. Fuel prices are falling, and as coal gets cheaper, the hopes of the shareholders in Rails get higher. I do not doubt that dividends for the second half of the current year will show a return to the level of those of 1899.

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Telegraph construction companies have done well during 1900, and Marconis may be as threatening as they like. Henley's, which paid a dividend of 12 per cent. in 1897; 14 per cent. in 1898; and 15 per cent. in 1899, jumps to 20 per cent. for the last year. And this is by no means the only one. Good reserves are being built up—a policy which ensures the continuance of the present rates of dividend for some time yet. The one drawback to the profitable times has been the high price of copper.

INSURANCE.

According to the Board of Trade figures, the dryest-looking, but most interesting statistics in the world, there are over 20,000,000 insurances in force in the United Kingdom. The proportion of "ordinary" policies to the total population is a growing one, the number now being 1,800,000.

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Altogether in big or little items, the total amount assured is \$4,000,000,000 (more than the National Debt), the annual premiums being \$150,000,000. Accumulated funds amount to \$1,305,000,000, and are growing at the rate of about \$55,000,000 per annum.

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To people who are imaginatively inclined, there is ample scope in this tale of millions for all sorts of fancy pictures. As more and more capital drifts into the hands of the insurance companies, so the insurance companies will become greater and greater investors in joint-stock enterprises, until it might be shown they could, by combining, control the whole industry of the country.

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The case of the "Taif," heard this wee kin the law court, is illustrative of the law on marine underwriting. This vessel sank within 24 hours of leaving port, having encountered no storm or other catastrophe. Therefore, the underwriters refused to pay up on the ground that the vessel palpably was unseaworthy when she sailed, and that, therefore, the policy was rendered invalid. But it was proved that miscalculations about ballast were the actual cause of the sinking, and therefore the underwriters were held responsible for the loss. If unseaworthiness had been proved they would have won.