FIRE PREVENTION PROPAGANDA NOT HAVING MUCH EFFECT

The Journal of Commerce computes the fire loss in May, 1920, in the United States and Canada at $25,440,300—an increase of more than $3,000,000 over the April loss, and of about $9,000,000 over the loss in May, 1919. This brings up the total for the first five months of the current year to $138,791,000, or $28,000,000 more than in the corresponding period of 1919, and $19,000,000 more than in the first five months of 1918. Fire underwriters had hoped that the decline in the fire loss in 1919, from the larger sum in 1918, indicated that the propaganda for a lessening in the fire waste was having its effect; but the results thus far this year do not seem to bear out this hope.

INSURANCE FOR "FULL VALUE" OF MOTOR-CARS

In the Chancery Division, London, Eng., on April 23rd, Mr. Justice Astbury heard a special case stated on the award of an arbitration between Wilson and Scottish Insurance Corporation, Limited.

In November, 1915, the insured filled in a proposal form issued by the Scottish Insurance Corporation, for the insurance of a 20 h.p. Studebaker motor-car, which he had just bought for £250. The form contained a table of rates of premium based on the "full value of car," the rate for a 20 h.p. car, where the full value was £200, being £9 12s. 6d.; but a note to this table stated that cars not exceeding 25 h.p., the maker's catalogue price of which was not more than £250, with accessories, could be accepted at a premium of £8 15s. Under the last offer the car was insured, and, under the heading "particulars of car," the insured filled in the "price paid" as £250, and his "estimate of present value" also as £250. The policy was duly issued by the insurers in acceptance of this proposal, and (Clause 3) the insurers thereby agreed to indemnify the insured "to an amount not exceeding the full value of the car." The policy was renewed from year to year until June, 1919, when the car was destroyed by fire, the policy being still in force. The car had then appreciated in value, and was estimated as being worth £400. The question was raised whether the insured could recover only £250 (the amount of his estimate), or whether he was entitled to the "full value"—namely, £400. The matter was referred to an arbitrator in accordance with a clause in the policy, and the arbitrator, in making his award, found, subject to the opinion of the Court, that the Corporation was liable to pay only £250, but that the full value of the car at the date of its destruction was £400. At the request of the parties, he also stated a case for the opinion of the Court, whether the "full value" within the meaning of the policy was limited to £250, and this case now came before his Lordship for decision.

Mr. Justice Astbury, in the course of his judgment, said that there was no direct decision on the point, but in his opinion, on the last renewal of the policy in November, 1918, the insured must be deemed to have renewed also his estimate of the "present value" of the car as £250. In Pim v. Reid (6 Man. and G., 1, at p. 25) Mr. Justice Creswell said:—

> "No fresh proposal appears, therefore, to be expressly required on either side at the end of the first year; but it may be then very material for the company to know of any change in the extent of the risk to enable them to determine whether or not they will continue the insurance."

When the last renewal of the policy took place. If the car was worth more than £250 in November, 1918, then the insured could recover only £250. If, however, all the increase in value took place after that date, then the assured was entitled to recover the full value of the car when it was destroyed.

CANADIAN TRADE

Canada's exports for April were $154,161,132, and imports $98,290,635. There was a notable decrease in the export of farm products compared with April of last year.

According to the latest reports only 4 per cent. of the area under fall-sown wheat has been destroyed by the severity of last winter.

The Franco-Canadian Commercial Convention, providing for reciprocal tariff reductions on imports, will not be in force after June 19, 1920.

Fifty-two rural credit societies, with an authorized capital of $1,040,000 and a membership of 4,000 farmers, are now in active operation in Manitoba.

A new railway depot is to be built at St. John, N.B., by the Canadian National Railways and the Canadian Pacific Railway. It will be used by both companies.

A steady development and expansion is taking place in the Canadian pulp and paper industry, which is now third in importance in the Dominion. It has a capital investment of over $250,000,000. One of the new mills is a $5,000,000 pulp and paper plant to be erected at Fredericton, N. B. The Kipawa Fibre Company plans to double the capacity output of its plant at Temiskaming, which now produces 150 tons of bleached sulphite pulp per day. The Kipawa and the Riordan companies are to be reorganized, it is stated, and both will be operated by a new company known as the Riordan Corporation, Ltd.