

premiums paid. The suggestion to raise \$1,000,000 upon city debentures, for the purpose of starting the fund, would be sanctioned by no sane Legislature, for no scheme could be more suicidal to the credit of the city's securities. If the sanguine expectations of the committee were realized, and a monopoly of the fire insurance business in Toronto secured, investors in its securities would want to know who guaranteed the indemnity of the city against fire. The credit of commercial men in the city would be depreciated in some measure in the eyes of outsiders with whom they have dealings. Again, the city would in strict equity be compelled to discriminate in dealing with the risks of its citizens, a course which would be sure to result in general dissatisfaction, and end in failure of the objects aimed at. In view of all these considerations, the citizens are not likely to allow themselves to be committed to such a fallacious undertaking. Let some other enterprising city try the experiment,—that is, if there be one on the face of the globe foolish enough to attempt it.

**Danger from  
incandescent  
lamps.**

ALTHOUGH the use of electricity in the lighting of our cities and business and dwelling houses is now quite common, it is doubtful whether the public are fully aware of the simplest dangers which are well known to exist by electrical experts. As one of several illustrations which have come under our notice, we need only refer to a case quoted by an esteemed correspondent, who states that a short time ago an incandescent lamp attached to a movable wire was laid upon some mantles in a dry-goods house in Victoria, B.C., resulting in setting them on fire in the space of a few minutes, and causing considerable loss. In this connection we quote from an excellent article written by Mr. W. J. Jenks, which recently appeared in our contemporary, the *Investigator*: "Ignition may result by the direct action of the confined heat of incandescent lamps, or by the overloading of motors, resulting in the reduction of the counter-pressure which they develop, and consequently in an increase of the current flowing through their mechanism up to the point of heating their coils and armatures. It is popularly supposed that an incandescent lamp cannot possibly radiate heat enough to set on fire surrounding substances, and show windows often display delicate lace fabrics in close contact with such lamps. This is simply taking unwarrantable chances, for it is merely a question of confinement and accumulation of the small heat, and the degree of readiness with which any given material will ignite. Colored and smoked lamps become much hotter than clear ones, and when the vacuum has become impaired, the conduction from the hot carbon filament across the intervening space to the bulb is so rapid, that the filament can hardly be forced up to its proper candle-power, and the globe may become a source of danger, if in contact even with wood-work. Safety to motors is secured by proper fuses." The danger referred to needs to be well known, and employees and others ignorant of it should be warned against the careless handling of incandescent lamps.

**The Guardian  
retires from U.S.**

WHAT promises to be one of the most important events of the year in fire insurance circles is the retirement of the Guardian from the United States. The step has doubtless been decided upon as the result of General Manager Relton's visit, and in view of the unsatisfactory results of fire insurance business in that country of late years. From the columns of our contemporaries we learn that the company has re-insured all its risks in New York (except New York City), New Jersey, Pennsylvania, Virginia, North and South Carolina, Georgia, Alabama, Louisiana and Texas in the New York Underwriters' Agency, and that the balance will probably be taken over by the North British & Mercantile at some future date. The transaction is believed to be one of the largest of the kind that has ever taken place on this continent. The magnitude of the company's business in the States may be gathered from the following statement:—Gross assets, United States branch, \$1,804,572; re-insurance reserve, \$965,619; gross liabilities, \$1,166,447; surplus over all liabilities, \$638,125; amount at risk, \$213,374,343. Its premium receipts for the past ten years average nearly nine hundred thousand dollars annually, and its average ratio of losses during the same period was about 59 per cent. The withdrawal of such a substantial and popular company will make an appreciable gap in the front ranks of those doing business in the States.

**LIFE ASSURANCE REFORMS.**

**STATEMENT OF ACCOUNTS.**

In our last issue we pointed out that in the interests of policy-holders and the assuring public it is the duty of companies to give full and complete publicity to their business. The recognition of the companies' obligation in this respect is rendered all the more necessary in view of the public apathy in regard to their management, caused by a mistaken notion, which is only too common, as to the objects of State supervision. It cannot be too often repeated that the function of this office is confined mainly to that of protecting the public from insolvent and dishonest companies. The various superintendents of Insurance have no voice whatever in the management of the companies, but it rests entirely with the policy-holders and shareholders to see that their affairs are properly conducted so as to produce the best results attainable. This can be done effectually only by requiring of the companies that their annual reports to the assured and their statements to the Insurance Departments be clear, clean and candid expositions of their entire transactions. We believe that those of some companies can scarcely be so regarded, and that a system of book-keeping is coming into vogue which does not reveal the true movement of the business to the uninitiated layman. For instance, it might be supposed that the item "Cash received for new premiums" meant exactly what it says, but we now know that it may mean otherwise. We have reason for believing that in the case of some, probably most companies, the new premium income has been swollen by the inclusion of