

The Insurance Chronicle

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FIRE: ITS CAUSES AND CURES.

II.

In answering the question, "What is a fireproof building?" Mr. Lindbach reminds us that a building that is of noncombustible material is not necessarily fireproof. A building that is of fireproof material but not of fireproof design is not necessarily fireproof; a building that is not fireproof, and finally, a building that is strictly and thoroughly fireproof, but filled with combustible contents, may have a destructive fire in it, while the building itself will not be wrecked or destroyed.

Correct design means, the proper application of incombustible, non-damageable materials and the arrangements of the parts of the building into such units that only a small proportion of the contents can be destroyed in case of fire. . . . The fact is, that every building we add, of poor or indifferent construction, is that much more fuel for possible, nay, certain fire, and risks are not only increasing, but multiplying.

With these facts before us, the question arises, What is the reason for such enormous losses on this continent compared with older countries? The answer comes back in the one word "construction." Faulty, indifferent construction. Even the man who pays little attention to such matters knows that wooden structures assist in spreading fires; that granite, stone, and marble, stucco and concrete (however attractive the surface may have been ornamented, and however strong the material appears to be, and really is, structurally) always suffer serious damage by fire. The surfaces peel and scale, and the walls have to be rebuilt, or at least refaced.

Therefore, in a thoroughly fireproof building, the exterior should be built exclusively of well-burned brick, sparsely decorated with as well-burned brick and made terra cotta. The windows should have metal sashes, filled with wire glass; the roof should be of metal, cement, tile or asbestos shingles; the foundation should be of stone or concrete; the structure skeleton should be of steel, well covered with cement, and protected with hollow tile or brick, and the floors and partitions should be of narrow span hollow tile fireproofing; the finished floors and interior finish should be of cement or other non-combustible material; the stairs and elevators should be absolutely enclosed, and with automatic doors, so that there will be no opening from storey to storey, each storey forming a separate unit, as distinct as a separate building, therefore confining any fire to the unit in which it originated. The floor spaces should be cut up into as small units as practicable.

Summed up, the proper thing to do is to build sensibly, intelligently, and so as to eliminate as much as possible combustible material from which any damage can result from its burning.

The Board of Underwriters in Chicago in their laboratory building have given an example of what the perfect fireproof building is, and, in spite of all precautions taken to make it a model, that building cost only about 12 per cent. more than if it had been built in the ordinary fire-trap way.

The conflagrations of Portland, Me., in 1866, Chicago in 1871, Boston in 1872, Oshkosh and Virginia City in 1875, Galveston in 1884, Seattle, Ellensburg, Spokane, Boston and Lynn in 1899, Milwaukee in 1882, Hoboken in 1900, Jacksonville in 1901, Waterburg and Patterson in 1902, Baltimore, Rochester and Toronto in 1904, besides a hundred other smaller fires within that period of thirty-eight years, and lastly the San Francisco fire in 1906, all owe their extent and destructiveness to inflammable material and careless design and construction.

SOME LASTING BENEFITS.

New President of the National Life Underwriters' Association Speaks.

In making a visit to Pittsburgh the other day, Mr. Charles Jerome Edwards, of New York, the newly elected president of the National Life Underwriters' Association, addressed the Pittsburgh local body of life agents. Some extracts from his address follow:

Speaking of the Conventions held in Toronto last month he said he proposed that the policy of the N. L. U. A. should be along the conservative and helpful lines then enunciated. "I do not propose to launch any policy, to promulgate any plan for relief, nor do I promise a universal panacea. Some ideas which I hold amount to a belief on my part, and of them I may speak. Some revision of recent insurance laws may be contemplated; some encouragement may be expected, and an honest effort made for the improvement in the morale of the life agency business. One immense and lasting benefit of the recent reforms has been the elimination of the high brokerage agent, the lightning special, the rebater; second only to the ravages of such agents is the demoralizing influence of the 'twister.'

Preach Against "Twisting."

"One of the chief works for good which the National Association can perform is to continue preaching against the demoralizing practice of twisting; another is to persistently oppose schemes for the sale of life insurance by either advisory boards, underwriting companies, stock with policy features, etc., other than that called for by the legitimate principle of life insurance.

"The work of the National Association has been one long record of standing for correct principles; of enunciating truths and of honorable results. Never has the Association ignored its duty in such matters, and never has it given countenance to devious methods.

"The recent convention at Toronto was replete with hopeful, helpful signs. The men who visited that convention from all over the United States and Canada were men who believe in life insurance, believe in their work, believe in its future; men not easily discouraged, and certainly men who had not lost faith.

"However much the scareheads of the yellow press may have twisted into sensation and scandal, from which has been reaped a harvest of sorrow and suffering, the public is a year and more older, and they have thought twice—and while here and there a man may express prejudice, the great public has confidence in the institution of life insurance, and in the management of the companies which sell it. This is clearly demonstrated by the production of twenty-one millions of new business by the New York Life in July. Possibly that company suffered as much as any in loss of prestige and from public wrath; but the achievement of their agents in July proves that the public has either forgotten or forgiven—and this will hold good of every other company.

Not to Rust by Waiting.

"I believe that there should be a revision of the statute regarding compensation which may be paid on endowment policies. At present probably over 80 per cent. of the life insurance business being written is on the life and term plan. Actuaries in New York City tell me that they are amazed at the enormous increase in term business which is being written. The result is an adverse selection against the company for which there must be some relief. Mr. Macaulay in his address before the Toronto convention pointed out the absolute seriousness of this condition, indicating a mortality on term policies of 123 per cent. of the expectancy, and on endowment policies of only 67 per cent. Undoubtedly the Actuaries' Society will themselves bring this condition to the attention of the New York legislature, and pray for a revision on this point.

"But it is our duty to make progress; not to rust by waiting for some future condition. Let us do our duty to ourselves, which we can best do by persistent and energetic agency work. Every man in his own community who is producing business to-day is respected and looked up to by his neighbors. They know he has had a struggle and that he has won out. The greatest honor with which any man can be invested is the respect of his fellows. All the world hates a quitter; everybody loves a stayer!"

CANADA'S NEW CITIZENS.

No less than 153,000 immigrants stepped foot upon the Dominion shores during the first seven months of the present year. The number for the corresponding period of 1906 was 116,392. There has thus been an increase of 37,034, or about 25 per cent. The immigration via ocean ports totaled 126,458, an increase of 39,820 over the first seven months of 1906. The immigration from the United States was 27,238, a decrease of 2,516.