

**Shall Montreal  
Have Fire  
Protection?**

IN our last issue we called attention to the heavy fire loss experienced in this city during 1892, aggregating fully \$775,000. Bad as that record was, however, the first three months of the current year present a much worse one, for within that period we find the total loss to the companies to have been upwards of \$400,000, the total property loss of course being still greater. Underwriters are very naturally beginning to ask, what is to be done to remedy this state of affairs? That the fire department of Montreal is not equal to its protection admits of no question, but what are the specific deficiencies? Well, there are several. In the first place, the organization and the discipline of the fire brigade is defective. The men are trained to commendable efficiency in keeping their helmets and their harness, their hose reels and their engines in a high state of polish and in making a fine showing on dress parade, but when a serious fire calls for cool heads, prompt service and systematic work there is something lacking, and that something is generalship and thorough discipline. In the next place, more and better apparatus is needed in order to the best results, and if this deficiency were supplied there is still lacking, in the third place, an adequate water pressure to enable the best force in the world to do good service. Just now Boston is warmly discussing the abolition of fire department control by a "board," and putting in its stead a competent superintendent, with qualities of generalship, who shall be held responsible for results. A "board" of generals to handle an army has never been productive of victories, and the most inefficient fire brigades are those which have, not a single head, but a triple or quadruple one. It may be worth while for Montreal to consider this same question in the light of past results and present incompetency.

**THE VALUE OF INSURANCE TO THE BUSINESS  
WORLD.**

That the insurance of property from loss by fire or from the casualties of the sea is one of the chief factors in shaping and conserving commerce throughout the world is a recognized fact among men who observe and think. Like the indispensable every day gifts of nature, however, the very commonness of insurance tends to obscure our view as to its importance. It is only when the exceptional happens, like the great Chicago fire, or lesser conflagrations like St. John's, Boston and Milwaukee, that men open their eyes to the commercial value of insurance. Then they see that a hundred or a thousand or ten thousand business men are saved by insurance capital from utter ruin, which in its turn would mean ruin wholly or in part to as many more who are connecting links in the great commercial chain. Insurance capital replaces the broken links, and the machinery of business goes on. A second Chicago or St. John's, better than the first, rises upon the ashes, and we do not need to alter our maps. A big ship and its cargo is swallowed up by the sea, but another speedily takes its place, thanks to insurance capital. Insurance to-day is the basis of

credit, without which business would stagnate at the centers and be paralyzed at the circumference of our commercial system; it promotes manufactures, encourages art, protects the home, and is a potent factor in all material development, scarcely second in importance to our monetary system.

The independence of the individual exists only in Utopia, and necessarily gives place in practice to that *inter-dependence* which is a universal condition of society. Insurance stands as the exponent of this interdependence, for in its essential features it is an equalizer of the loss burdens of the community. It is a collecting and distributing agency by which each contributor is protected from severe loss through the systematic contribution of all. In order to wield this agency with safety and equity, careful training and wide experience are necessary. Insurance requires not only a thorough knowledge of the principles to be applied, but a knowledge of the actual hazard belonging to various kinds of property, in order that premium contribution may be fitted equitably to the promised indemnity. This involves system and permanence, such as organization, backed by guarantee capital, alone can secure. The experience of a single year in a given locality is conclusive of nothing as to premium rate or loss probability. Neither is the experience of a single year over a wide field sufficient for equitable and safe treatment of the problem of loss, hence the gathered experience of many years and over an extended field must be made the basis of all real insurance, which makes certain indemnity possible because it founds its transactions on the law of average. A loss in one locality swallowing up all the premiums received therefrom in twenty or fifty or a hundred years is offset by other localities where the premiums are in excess of the loss.

It is passing strange that now and then business men are found who try to ignore the commercial value of insurance as a system almost universal, and who seem entirely ignorant of the fundamental principles which have made the system what it is. Every now and then the citizens of a town bring forward some scheme for local insurance by the civic authorities, and propose to declare their independence of the insurance companies and the rest of the world, oblivious of the fact that a man cannot swallow his own head, and that is quite as easy as for Fredericton, N.B., for instance, whose self-insurance scheme we deal with elsewhere, to make its own property pay for itself after it is burned up. A given town may escape any great fire loss for a dozen years, as St. John's did, but the next day or the next week after adopting self-insurance it may face a conflagration.

It ought to be sufficient for any business man to remember what a record for loss paying insurance has made when the greatest fires have occurred, and that experience has shown that its great ability has been and is because it covers a content and gathers from the many the means to indemnify the few. Taking Canada, for example, and a look into the book of facts shows that last year fire and marine risks were assumed by the companies amounting to about \$645,000,000