

stacks. A distance of 100 feet was recommended. In adopting the report, it was decided to invite the Canadian Fire Underwriters Association to join with the Mutual in seeking this legislation.

From the President's address in opening the meeting we cite the following remarks, which will prove of general interest. Mr. Beattie said :—

It is hardly necessary to say there is a wide difference between mutual and stock fire insurance companies. In a mutual each member is alike interested in the prosperity and successful management of the company. No call is made on the members beyond what is deemed sufficient to meet annually the losses and working expenses of the company. In a stock company the directors are necessarily compelled to collect a premium, not only sufficient to meet losses and expenses, but, in addition, a sum sufficient to meet interest annually on the paid-up stock of the company. It is therefore quite evident that in a mutual company, carefully managed, the cash premium and assessments are much lower annually than in a stock company. Our Mutual Fire Underwriters' Association was established, as you are all aware, with a view, amongst other objects, to secure uniformity in the working of the various companies connected with the association. A good deal has been accomplished in this direction, but, I submit, more might be done advantageously for the benefit of all, without injury to any. There is, so far as I am aware, very little discrepancy in the blank forms of our applications, premium notes and policies, etc., but there is too much variation in the mode of carrying the risks and the proportions of losses paid by different companies. Some issue blanket policies, and pay, in the event of loss, the full amount covered. Others issue similar policies, and pay only two-thirds of the loss. Other companies again issue specific policies, and pay the full amount of loss on the property specified, but on nothing else. Take, for instance, the case of the contents of a farmer's barn covered by a specific policy—say, \$600 on live stock, \$400 on implements, and \$500 on hay and grain—and a fire takes place immediately after the harvest, when the whole of the crop is in the barn and half of the implements, but all the live stock and half of the implements are in the fields; and suppose the loss on hay and grain amounts to \$1,200, and on the implements to \$200, the policy holder would receive only \$700 as compensation, although he paid the assessments on a \$1,500 risk all the time. I submit, therefore, that a specific policy of this description is often misleading and unjust to the insured. While holding this view, however, I am just as strongly opposed to the insurance company paying a loss in full. I think in every case the policyholder should carry, say, one-third of the risk. No company should place a policy holder in such a position, that a fire would convert the whole of the property covered into cash at the current market value. I am strongly in favor of the principle of