

The main object of the Association is to determine and maintain adequate rates for the various classes of risks written. Another and equally important object is to regulate and minimize the rate of commission consistent with a fair and reasonable compensation to the agent for his work. The commission rule, recently made a part of the constitution is in force in the territory directly under the jurisdiction of the Association except in Toronto, Montreal and Quebec. The abuses which exist and grow without a commission rule are recognized and felt by all, and Mr. Sims expressed the opinion that the time has now arrived when a rule to govern commissions in the three excepted cities should be adopted, considering the small margin for profit on the capital invested, as is shown by the average ratio of loss and that from excepted cities fully 25 per cent. of the whole revenue in premiums in Canada is derived and in the two provinces in which we have jurisdiction a much larger percentage; it becomes apparent how necessary it is to reasonably limit the commission, and thus reduce the ratio of expense which has such a tendency to increase.

Referring to infractions the president said that to give adequate protection to the loyal and conscientious members against the indifferent and sometimes unscrupulous conduct of a member whose sense of honor is dim or overpowered by his anxiety for business, is what is needed. The most effective remedy against violation of rules will always be an appeal to the sense of honor of individual members. It would be well if members would individually study the history of the causes which have led to the disruption of associations and the consequences which follow. Though we have adopted rules to regulate and govern our conduct of the business, there are practices beyond the reach of rules which each member should carefully consider so as to minimize as far as possible the dangers that exist to the Association. President Sims referred to the absorption of whole risks or large lines by individual companies, and re-insuring the surplus with companies not members of the Association, and said he was aware that this was a matter relating to the internal economy of each office, but one could well imagine the effect upon other members when business is controlled and dealt with in this way. Reference was made to the practice before it reached the magnitude it had attained at other places, where it had become one of the leading factors causing disruption.

CLASSIFICATION OF TOWNS.

The western committee recommended changes as follows: Stratford raised to class A, Orangeville and Orillia to C, Blenheim, Renfrew and Ridgetown to D, Beeton to E, and these were lowered: Teeswater,

Shelburne, Blyth and Arnprior to E, and Newmarket to D, Preston and Whitby were notified that they would be lowered from D to E unless by October 1st, satisfactory action was taken. Chatham was to be raised to A on October 1st. The committee recommended that a town or a city be immediately advanced if the case called for such action on its merits, without waiting for the holding of a meeting. Collingwood it was resolved should be lowered to class C, at discretion, that Georgetown be lowered to D, that Guelph be lowered to C, on Nov. 1st. It was recommended that Inspector Naylor's salary be gradually increased during the ensuing two years.

AUTOMATIC FIRE ALARM SYSTEMS.

The western inspector in his report, said: Except in Toronto, where about twenty installations are now in use, this system has not been introduced. I am of the opinion that unless placed under constant expert supervision the adoption of any automatic system should not be encouraged.

COMPETITION OF UNLICENSED COMPANIES.

The following resolution was adopted. That a special committee be appointed for the purpose of watching legislation in the coming session of Parliament and of pressing upon the Government the necessity of amending the Insurance Act by imposing upon the office of the Superintendent of Insurance the duty of prosecution for infringements of the law, that to the same committee he also referred the duty of endeavoring to secure the adoption by the Dominion Government of uniform statutory policy conditions, that the committee be instructed to take prompt action in both matters, and to report fully thereon to the next meeting of the Association, but should they find it necessary, owing to an early session, to call a special meeting, the same shall be held in Montreal and the provisions of the constitution in regard to the calling of special meetings may be, in the special circumstances dispensed with.

The election of officers for the ensuing year resulted as follows:

President.....	Mr. P. H. Sims..	British America.
Vice-Presidents }	...E. A. Lilley....	London Assurance
	...H. M. Blackburn..	Sun Fire Office.

COMPULSORY FIRE INSURANCE.

The supporters of the State Fire Insurance Bill recently introduced in the South Australian Assembly are evidently of opinion that if it is a good thing for a man to have his property insured against fire he ought to be compelled to insure it. There are certainly precedents in connection with education and vaccination for compelling a man to do what is supposed to be good for him; but there was a strong