

Fire Insurance Companies and Fire Brigades.

The fire protection service of Sydney, Australia, retains an element that is now almost universally regarded as unjust to the fire insurance companies. In past times the companies provided the only fire protection, the duty of maintaining a fire brigade was not recognized by municipal corporations. Indeed, up to the middle of the last century, the governing bodies of British cities and towns had very narrow powers, and, in most places, they and the people in general had even narrower ideas as to the actual and natural functions of a local self-governing body. It was said by one writer that at the time he wrote the principal duty of an English Corporation was to hold a dinner yearly. A city or town fire brigade was never dreamt of until quite recent years. Even when an engine was kept it was wholly manned by volunteers when called out to a fire. In Sydney the fire companies have to contribute one third of the cost of the local Fire Brigade, the other portion being divided between the government and the municipal Council. In London, England, strange to say, the fire insurance companies have to contribute at the rate of four fifths of a penny per cent. towards the fire protection service. The "Sydney Daily Telegraph" states that last year the 41 companies held at risk within the metropolitan area of Sydney \$318,446,000, on which they contributed \$42,500, or one-third of the total expenditure of the brigade of \$127,500. "Thus," our contemporary remarks, "compared with Sydney, London, with thoroughly efficient brigades, holds at risk about 14½ times as much as Sydney, while even with our inefficient equipment our expenditure is already equal to between one-seventh and one-eighth that of London. Towards the total expenditure of \$982,075 per annum of the London brigades, the Imperial Exchequer contributes a fixed sum of \$50,000 a year for all London, while our Exchequer contributes \$42,500 for Sydney! The contribution of the companies in Sydney is \$665 per million at risk, or 3¾d per cent., for a positively utterly inadequate brigade. Now this, in the case of dwelling-houses, comes to over 20 per cent. of the net premiums. If the strength and consequent expense of the brigade were trebled, the contribution of the companies on such risks as dwellings would reach 60 per cent. of the net premium, which, of course, would be oppressive. So long as insurance companies are compelled to contribute to the cost of brigades, so long will it follow as a matter of course that they must take that contribution into account in fixing their premium rates. The only solution of the present difficulty is to place control in the hands of a County Council, with power to levy a special rate, with a definite limit of expenditure of so much per thousand head of population."

It is obvious that fire protection is for the general benefit of the whole population of a city or town. The equitable system therefor is for the municipality

to provide a Fire Brigade as a public service at the public cost. If fires could be restricted to buildings covered by insurance there might be some reason for insurance companies bearing the cost of a Fire Brigade, but, as fires are continually breaking out in uninsured premises, and as in those insured the companies have only a partial interest, it is most unjust to place any special tax on them for maintaining a fire protection service.

A Preferential Tariff Question.

A correspondent at St. Johns, Newfoundland, asks us to furnish him with figures relating to the working of the preferential tariff in 1897-8. We would have gladly done so had they been available, which they are not. The figures for the first year in which the preferential tariff was in force have no value as indicators of the effect of that tariff. Trade is so conducted as to render sudden changes in the direction in which it is flowing impracticable. Orders for goods required from an outside market are given many months ahead of the time for delivery. Merchants on both sides the Atlantic, and in this country and the States have such financial relations with each other as commit them to each other as buyers and sellers for a length of time, even when such conditions arise as render it desirable for the connection to cease or be modified. Buyers in Canada and sellers in Great Britain cannot be suddenly brought into contact like persons going in and out of a store. British producers are not yet familiar with the Canadian market, nor are Canadians yet fully acquainted with the British. To adapt goods for the tastes and needs of this country is a work of time.

The British producers for a prolonged period were either wholly ignorant of their having a tariff preference in Canada, or they misunderstood its extent. Such conditions prevented the preferential tariff being effective as quickly as some thought it would be. The following shows the imports into Canada from Great Britain and the United States, with their respective percentages of increase in 1896, 1897, 1898, 1899.

	Great Britain.	United States.	Per cent. of increase	
	\$	\$	Gr. Britain,	U.S.
1896.....	99,670,030	103,022,434
1897.....	106,639,690	111,022,513	7.00	7.76
1898.....	137,499,735	124,410,926	28.9	12.05
1899.....	136,151,978	138,140,687	dec.	11.05

The extreme conservatism of British trade methods and the alertness of Americans in protecting their trade interests, even if heavy sacrifices are temporarily involved by the tactics they adopt, with the other reasons given above, have prevented the preferential tariff developing British trade with Canada to the extent desired.