

**THE CONFLAGRATION HAZARD.**

The figures we publish this week showing the insurance losses at Hull, and those of former years in New Brunswick and Newfoundland are merely salutary reminders of the enormous amount distributed by the fire companies as the result of conflagrations. Looking backward, we recall the millions of money lost by the destruction of Chicago, Boston, Galveston, Seattle, Spokane Falls, New Orleans and Milwaukee. The conflagration hazard belongs to the fire insurance business and must be reckoned with, and a goodly surplus must be available to do it with, whether a five million or a fifty million loss. It is at such a time as the present that wisdom suggests that rates be fixed with reference to that conflagration which may take place this year or next, or the next, in New York or Montreal, in Baltimore or Toronto, or somewhere, when and where least looked for.

The occurrence of these conflagrations involving insurance losses of millions constitutes an object lesson of prime importance. The lesson is taught at intervals, and taught impressively. The burden of the lesson is, that the unknown and unknowable quantity in the fire insurance problem is augmented by unlooked-for conflagrations to such an extent as to seriously upset the calculations of believers in a "scientific" basis of underwriting. Leaving out of the account conflagrations entirely, and general confusion of calculations has been produced by the provoking perversity of the fire fiend in refusing to allow anything like uniformity in the proportion of fire loss to property value from year to year. Add to this uncertainty the conflagration hazard, and we have a situation defying accuracy of calculation and furnishing at best a capital chance for skillful guessing. A rate which may be abundantly high on the general business one year may prove to be ruinously low the next year, and so the loss ratio goes ebbing and flowing through the years.

Barring any great conflagration, however, and experience for a series of years over a very wide field has taught observant underwriters what loss average on reasonably well selected risks may be counted on, and by making a general rate to somewhat more than cover the probable average, and by good financiering in the management of capital, the best companies have accumulated a goodly reserve fund, and are able to face the hazard of conflagration with tolerable equanimity. That it exists and will sooner or later develop into serious loss is a certainty. The uncertainty is the amount and the locality. It is very generally admitted, now, that no more likely place for a conflagration could have been selected than Hull. Given a gale of wind, a fire in the right place, and we have good conditions for a very successful conflagration in that city. The conversion of millions of property into ashes in a few hours is not a nice picture to contemplate, and it is to be hoped that some official report on the origin and progress of

the latest great fire will be published, so that fire underwriters and the general public may be able to ascertain what, if any, are the lessons to be learned from the terrible destruction wrought in a few hours at Hull and Ottawa.

**OTTAWA-HULL CONFLAGRATION.**

26TH APRIL, 1900.

We publish the approximate total losses of various companies interested in the recent conflagration. Correct and full details are as yet, not obtainable; but we hope to present a revised and corrected statement next week.

|                                  | Estimated<br>Figures. |
|----------------------------------|-----------------------|
| American .....                   | \$ 15,000             |
| Aetna .....                      | 200,000               |
| Alliance .....                   | 150,000               |
| Atlas .....                      | 51,000                |
| British America .....            | 140,000               |
| Caledonian .....                 | 220,000               |
| Commercial Union .....           | 104,000               |
| Connecticut .....                | 20,000                |
| Equity .....                     | 20,000                |
| Guardian .....                   | 200,000               |
| Hartford .....                   | 170,000               |
| Imperial .....                   | 97,000                |
| Lancashire .....                 | 130,000               |
| Law Union & Crown .....          | 36,000                |
| Liverpool, London & Globe .....  | 117,000               |
| London & Lancashire .....        | 100,000               |
| London Assurance .....           | 75,000                |
| London Mutual .....              | 20,000                |
| Manchester .....                 | 150,000               |
| Mercantile .....                 | 20,000                |
| Merchants .....                  | 20,000                |
| North British & Mercantile ..... | 250,000               |
| Northern .....                   | 52,000                |
| Norwich Union .....              | 150,000               |
| North America .....              | 100,000               |
| National of Ireland .....        | 68,000                |
| Ottawa .....                     | 75,000                |
| Phoenix of Brooklyn .....        | 40,000                |
| Phoenix of Hartford .....        | 50,000                |
| Phoenix of London .....          | 200,000               |
| Quebec .....                     | 20,000                |
| Queen .....                      | 150,000               |
| Royal .....                      | 220,000               |
| Scottish Union & National .....  | 66,000                |
| Sun .....                        | 55,000                |
| Union .....                      | 190,000               |
| Waterloo .....                   | 25,000                |
| Western .....                    | 210,000               |
|                                  | <b>\$3,988,500</b>    |

**MONTREAL CITY AND DISTRICT SAVINGS BANK.**

A very satisfactory statement was submitted to the shareholders of this institution at the 53rd Annual Meeting thereof, an Mr. Henri Barbeau must have been much gratified at the encomiums passed upon his successful management.

The net profits of the year were \$122,660. Adding to this the balance of profit and loss account from the previous year (\$117,379), placed \$240,000 at the disposal of the directors. After payment of dividends and bonus \$50,000 was carried to the reserve fund, making the same \$550,000. The balance of profit and loss account carried forward is now \$100,040.

The condition of the City & District reflects credit upon the conduct of its affairs by the president, Sir Wm. Hingston, and his colleagues.