

**Steel Rails  
Made in  
Canada.**

An event occurred in Canada on the 5th inst. more full of significance and promise than many which excite public demonstrations of rejoicing. What is practically a new industry that is capable of adding largely to the wealth of Canada was inaugurated at Sault Ste. Marie by steel rails being rolled in a mill at that place. In proportion to population Canada has more miles of steel rails laid than any country in the world, the mileage of our railways being close of 18,000. The rails along their entire length have to be renewed every few years, so there is a constant demand for them. The larger proportion of rails used in this country have hitherto come from the United States, but the new mill at Sault Ste. Marie, and another which is now being equipped, will enable the whole requirements of our railways to be supplied from Canadian mills. The whole of the machinery of the Sault Ste. Marie rails mill is driven by electric power which is a new feature in plant of this kind that requires very great power to keep the rolls at work through which, to and fro, the rails are drawn and pressed into shape. May 5, 1902, will ever be a red letter day in the industrial history of Canada.

**New Decision on  
Cancellations  
of Policies.**

Judge Wallace, of the United States Circuit Court, New York, gave a decision on the 3rd inst., which is of much importance to insurance companies, brokers and agents. His judgment is reported as follows in the New York "Journal of Commerce":—

"The case at bar was a suit brought by the Schwarzschild & Sulzberger Co. against the Phoenix Insurance Company of Hartford, Conn., to recover on a policy of insurance written on the plaintiff's premises in Kansas City. The insured buildings were burned down on Oct. 6, 1899. The evidence showed that the general agent of the Phoenix had notified Merriam, the local agent who had underwritten the policy, that the Company was unwilling to carry the policy any longer and wished it promptly cancelled and returned. This occurred on Sept. 26, 1899, and Merriam immediately notified Anderson, an insurance broker in New York, with full power to act for Schwarzschild & Sulzberger, that the policy must be cancelled at once.

"Much correspondence ensued between Anderson and Merriam regarding the Phoenix Company's unwillingness to carry the risk. Mr. Anderson thought that he could induce the company to change its mind, and failing that, wanted to get the risk taken by some other company. It was not until Oct. 4 that, in reply to a telegram of Merriam's to "cancel immediately," Anderson wrote that he had notified

Schwarzschild & Sulzberger of the cancellation, had procured another policy, and was about to return the old one to Merriam. Two days later the plaintiff's premises were destroyed by fire.

In bringing its suit the plaintiff company relied on the contention that, the unearned premiums not having been repaid nor the cancelled policy returned before the fire occurred, it was entitled to recover. It was also maintained that the real notification had been given only on Oct. 4, two days, instead of five, as was necessary. Considering these arguments Judge Wallace holds that the company's first notification to its local agent, Merriam, followed by the latter's communication to Anderson, constituted a notice as implied in the policy. This occurred on Sept. 26, eleven days before the fire. Anderson's action in procuring a new policy is also held by the court to constitute a valid cancellation in fact of the old one, as he thereby recognized that the latter was no longer in force." Judge Wallace, therefore, holds, contrary to a famous decision of the New York State Court of Appeals, that it is not necessary for the consummation of the cancellation of a policy that the unearned premium shall have been returned.

**Interest  
Earnings  
and  
Dividends.**

The dividends paid by fire insurance companies are frequently quoted as being a complete proof of their net profits being an excellent revenue on the capital invested. Since the general movement made to advance rates so as to bring the premium income to its proper proportion in comparison with losses, there has been an outcry on the part of a large section of the press against this increase, the main argument relied upon being that the fire companies pay as good dividends as banks, and other enterprises. The "Insurance Age" gives the following table showing the interest receipts and dividends of American fire companies reporting to the New York Insurance Department since 1884, with the excess of interest in each year:

Year.	Interest Earnings.	Dividends.	Excess of Interest.
1884.....	\$6,224,132	\$6,082,976	\$141,156
1885.....	6,153,770	6,052,542	101,228
1886.....	6,743,245	5,591,963	1,152,282
1887.....	6,897,116	6,394,499	502,617
1888.....	6,975,051	6,016,448	958,603
1889.....	7,155,061	6,439,401	715,660
1890.....	7,367,400	6,006,733	1,360,667
1891.....	7,338,954	5,756,707	1,582,247
1892.....	7,349,862	5,538,147	1,811,715
1893.....	7,384,151	5,410,316	1,973,835
1894.....	7,103,379	5,331,964	1,771,415
1895.....	7,143,632	5,691,486	1,452,146
1896.....	7,554,368	5,852,591	1,701,777
1897.....	8,331,037	6,233,574	2,097,463
1898.....	8,836,471	6,640,646	2,195,825
1899.....	9,084,649	6,782,018	2,302,631
1900.....	8,755,489	6,286,827	2,468,662
1901.....	8,756,290	6,304,328	2,451,962
Totals.....	\$130,144,067	\$109,418,866	\$20,725,201