FIRE INSURANCE.

All the British insurance companies have repudiated their liabilities arising from the earthquake at Valparaiso last year.

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The coal arch, eighty miles up the Saskatchewan River from Edmonton, is reported on fire. The seam, which in places is twenty feet thick, is said to be burning for miles, giving off intense heat.

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Advices of last week from San Francisco say that the rebuilding of the city goes steadily on, but there are signs that money is becoming much tighter, and the banks are not lending as freely as they were two weeks before.

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An "old-timer" in fire insurance on this continent has been removed in the death of Alexander Stoddart, of New York, aged 72. Mr. Stoddart came as a child from Scotland to America and in early manhood entered the office of the Aetna at Cincinnati, under J. B. Bennett. In 1864 he went to New York and established the New York Underwriters' Agency, composed of the Germania, Hanover, Niagara, and Republic. The complexion of the agency has changed more than once since its organization, but Mr. Stoddart has always remained at its head. He was one of the organizers of the National Board and served on its most important committees at various times. He commanded respect as an honorable and able man, and filled a large place in insurance circles for many years.

FIRE WASTE AND FIRE INSURANCE.

It is a tremendous aggregate, that of the fire waste of the United States and Canada in 1906, exceeding as it does the loss of any year on record in these countries. The New York "Journal of Commerce" tells us that the total of 1906 was $459,710,000. Allowing $280,000,000 of this to be due to the San Francisco conflagration, there remain other losses of $179,710,000, which amount greatly exceeds—conflagration years allowed for—the average of the last ten years, which was only $151,026,000: 1892 and 1893 were destructive years, then the figures decrease remarkably, until in 1899 they suddenly went up to $136,000,000, and in the years following much higher, thus:—

Year.	Losses.
1900	$163,362,250
1901	164,347,450
1902	149,260,850
1903	156,195,700
1904	252,554,050
1905	175,193,800
1906	459,710,000

The average man, living on this side the Atlantic, looks upon this annual fire waste as ill luck, or a sort of blind and pitiless necessity, whereas it is largely the result of our own carelessness. How vastly more extravagant our losses by fire are than those of other nations is shown in a table compiled by the Committee on Statistics of the National Board of Fire Underwriters, as gathered from reports of the various United States consulates, giving the fire loss per capita in six European countries:—

Country.	Fire Loss, Annual Averages.	Loss Per Capita.
Austria	$7,601,389	$0.29
Denmark	660,924	.26
France	11,699,275	.30
Germany	27,655,600	.49
Italy	4,112,725	.12
Switzerland	999,364	.30
U. S. and Canada	151,026,000	1.76

Three and a half times as much as Germany, the country with the highest per capita loss on the list. Such is the unenviable record we and our United States neighbors have made, in comparison with Europe.

The year 1906 has been, of course, one of unusual disturbance in fire underwriting circles, because of the San Francisco disaster. Besides the huge extent of the loss, for which many companies which survived the great fire had to call upon their shareholders, there were difficulties as to adjustment, differences as to extent of liability, and, indeed, some of these are not yet settled. But the result up to the present time has been the payment of between 80 and 90 per cent. of the more than very heavy insurance, which is a very different story from the 52 per cent. paid by the insurance companies liable in the great Chicago fire.

Apart from San Francisco losses the companies had a fairly successful year; partly because the higher rates adopted generally since April last, enabled them to show a fair profit in spite of the fact that the fire-waste was greater in 1906 than ever. The British fire companies maintained their high reputation for prompt payment on the Pacific Coast; and a number of American companies have been enabled, by the subscription of some $30,000,000 fresh capital, to recover their financial standing, which the conflagration had threatened.

REPEATED FIRE WARNINGS.

It is a dreadful thing for human lives to be sacrificed when a fire breaks out in a lofty building, containing many workpeople and on which there are no fire-escapes. And it is an irritating thing—to those who have to suffer the loss—to witness tons of water poured by a fire brigade upon the contents of a burning warehouse, ruining merchandise for lack of tarpaulins or a salvage corps. The lack of fire-escapes on the saddlery warehouse which was recently burned at Winnipeg was a fact firmly impressed upon the minds of those who witnessed the fire, though happily no lives were lost. Stock on the two lower floors to the value of $10,000 was ruined by water, a loss which an efficient salvage corps might have saved.

A year ago the Winnipeg Saddlery Company was notified by the building inspector to erect a fire-escape, but they did not do so. Again in October last they were warned by the official without effect. Now, Alderman Gibson declares that any company or man who neglects such warnings will be prosecuted. A building by-law calls for fire-escapes on every factory building of three stories or more in height.

The chairman of the Winnipeg Fire Committee says he has "pressed the underwriters time and again to form a salvage corps." But when did it become the business of the insurance companies in particular to form a salvage corps? Granted that they are interested parties, their rates are not framed to cover such expenses as the maintenance of a body of men with tarpaulins; as well ask them to maintain a fire department. The city council, it is stated, was willing to co-operate in such a measure, but would not move because the underwriters refused to bear the major portion of the expense. Winnipeg is big enough now to get rid of narrow and irrational ideas. A modern high-pressure water system will shortly be installed there, and the need for tarpaulins, which should be met, will be greater than ever.

SAN FRANCISCO LOSSES.

The report of the special committee of the board of trustees of the San Francisco Chamber of Commerce on insurance settlements, which has been prepared by Prof. A. W. Whitney, and approved by the board, shows that 80 per cent. of the losses has already been paid. The Ætna, California, Continental, Liverpool and London and Globe, Queen and Royal paid the adjusted claims in full without demanding any discount and many other companies paid in full with 1, 2 or 3 per cent. discount for cash.

The professor states that the total area burned was about 3,000 acres, or 4.7 square miles, containing 520 blocks and 25,000 buildings. One-half of these were residences. The amount of insurance covering property in the burned district was approximately $235,000,000 (estimated). All of this had been written by companies authorized to do business in the State except about $6,000,000, which had been placed outside of the State in some 100 companies. The value of buildings and contents destroyed in the fire must have been about $350,000,000, being an estimate upon the insurance liability.

Payments at first, continues Professor Whitney, in general, were on far less favorable terms than later. This is not altogether unreasonable, since it was impossible to give the early claims as careful consideration as the later ones. The reason, however, is unfortunately more easily explained by the fact that the first payments were largely to poor people, who were in no position to insist upon anything better; while the same companies later, particularly on committee losses, found themselves unable to refuse more liberal payments.

Unquestionably, taken all in all, the companies have done remarkably well. An immense sum of money has been paid into this city, a far larger sum than companies have ever been called upon to pay at one time before. In spite of the earthquake, in spite of the nearness in time of the Baltimore and Toronto conflagrations, the companies will finally have paid undoubtedly in the neighborhood of 80 per cent of the amount of insurance involved. At Chicago there was 50 per cent. paid, at Baltimore 90 per cent. the remarkable difference between the showing made by the companies at San Francisco and at Chicago, where there were 46 that failed, shows the great progress that has been made in 35 years in legitimate underwriting. And yet the San Francisco experience clearly points the way to needed improvements. The people of San Francisco owe a particular debt of gratitude to the companies which made the fight for the old methods for adjustment of claims on their merits, and for payment of just claims in full.