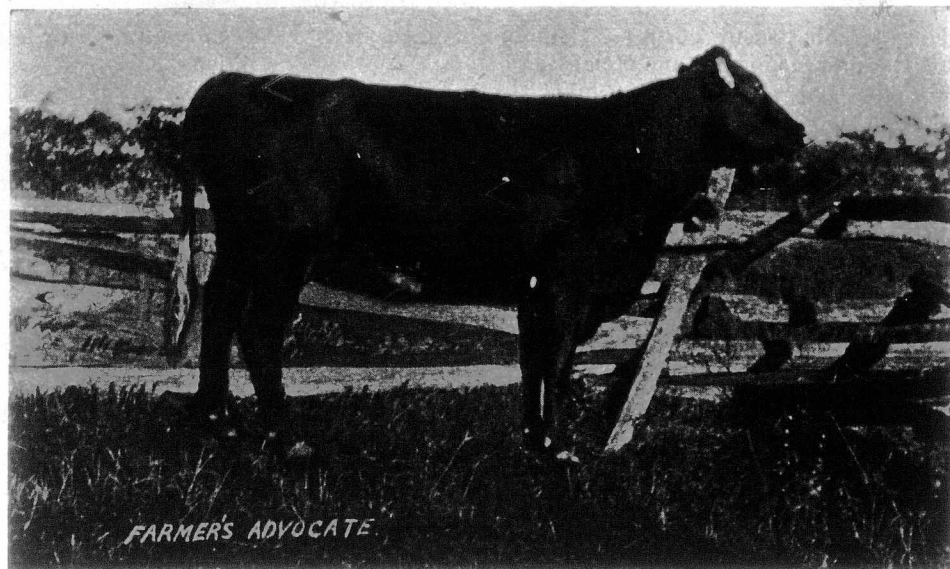




**QUEEN ANNIE =31319=.**  
Shorthorn cow in auction sale of herd of D. Baigent, Thamesford, Ont., February, 1902.  
(See advertisement, page 68.)

### What Pure Air Means to Live Stock.

Among the principal organs of the animal body are the lungs, in which changes go on unceasingly during the healthy life of the animal. The changes are: 1st, the taking of oxygen (the life-giving gas) into the blood; 2nd, the throwing off of the poisonous material (carbon dioxide gas) of breathing air; 3rd, the formation of heat, the result of the exchange.

The lungs consist of a large number of small air cells, over which are distributed a large number of very fine blood vessels. Some of these little blood-carrying tubes bring impure blood to the lungs, where is exchanged carbon dioxide, ammonia and water for oxygen, as a result of which the heat is generated, thus warming the blood, which also becomes a brighter red in color. The purified blood is then taken to the heart, from where it is pumped to all parts of the body, where it assists in nourishing and building up the various tissues. Oxygen is only to be got from pure fresh air, hence it is at once evident that the purification of the blood, the growth and warmth depends on its being able to get an ample supply of oxygen. It is impossible to get the best results from live stock which are starving for fresh air. Pure air with its great complement—light—means economy of feed and the absence of germ diseases, notably tuberculosis. As that essential, pure air, cannot be freely supplied in poorly-ventilated stables, we shall endeavor to show, in a series of articles on ventilation, how live stock may be ensured a supply of pure air, which ranks equally high as a nutrient with food and water.

## FARM.

### Farmers and Their Fire Insurance.

Every prudent farmer, as well as every other prudent person, insures such of his property as fire may probably destroy, and no argument is required to prove the wisdom of fire insurance or the folly of being without it.

The first regular fire-insurance office in Great Britain was opened in London, England, in 1681, fifteen years after the great fire of London. The first Canadian fire-insurance office was opened in 1804. One hundred years later we have a large number of Canadian fire-insurance companies and, in addition, many Canadian branches of British and American companies.

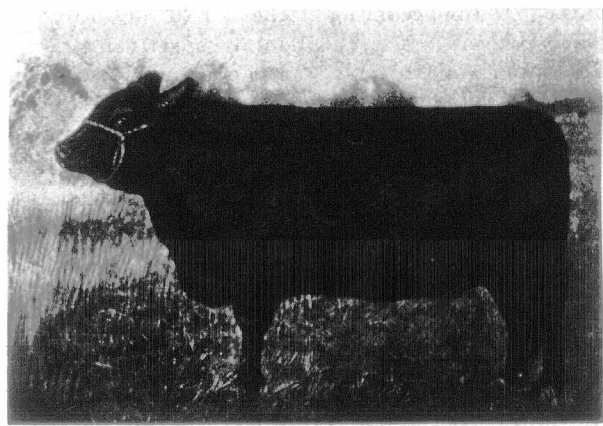
Fire insurance is a contract, or bargain, between the insurance company on the one hand and the property owner on the other, under which the property owner agrees to pay a certain sum of money to the company, in return for which the company agrees to pay to the property owner such loss, or damage, not exceeding the amount of the insurance, as fire may cause to the insured property during the term of agreement. The bargain is, however, usually, or always, a conditional one, and it is provided in the contract that the company shall not be liable for payment unless that the insured shall comply with and fulfill the reasonable terms or conditions of the bargain, which bargain is usually set forth in a printed and written document called the policy. This policy, though not generally so treated or regarded, is a paper of very considerable importance, and should be very carefully read by the property owner. Hundreds, or thousands, of dollars may be lost by a failure to observe the conditions of the policy, and how can a man be sure that he is observing the conditions of a policy that he has never taken the trouble to read? And how can a man blame a company if they refuse to pay his loss which they had only agreed to pay upon certain conditions, which he has not complied with?

Not only should a man read his policy, but he

should not less carefully read and understand the application that he gives to the insurance agent, for the application is a part of the contract, whether it be made out by the property owner or by the agent, for if the insurance agent fill up the application form, and he usually does, he is, in so doing, deemed to be the agent of the owner and not of the company. The facts should all be truthfully and correctly represented in the application, for any misrepresentation or error therein may make the contract void.

We have, doing business in Canada, "stock" fire insurance companies and "mutual" fire insurance companies.

A stock company is formed by a number of persons, called the stockholders, who contribute in cash to the capital of the company, and they then solicit business as any other stock company, and are entitled to divide among themselves such profits as there may be, and are liable, up to the amount of their subscriptions to the stock or capital, for the company's losses. Usually such companies do not divide and pay out all the profits, but set aside a percentage to form a reserve for the further security of the policy-holders. A person insuring in a stock company pays a fixed cash premium, signs no note, and, no matter how great the fire losses, has no further liability.



**BRUNHILDE.**  
Two-year-old Aberdeen-Angus heifer. Grand champion of the Birmingham and Smithfield Shows, 1901.  
BRED AND OWNED BY LORD STRATHMORE.

A mutual company is formed by a number of persons associating and agreeing to mutually contribute to the payment of each other's fire losses according to rules and regulations as included and set forth in the charter, rules, by-laws and policies of the company and the laws respecting fire insurance in general and mutual companies in particular. There are no stockholders in a mutual company, but every person insured therein is a member of the company, and if the company's losses are unusually small the members receive their profits by obtaining their insurance at a cost less than the ordinary rates of the premium; while if the losses are unusually heavy, each member must contribute an extra sum, thereby increasing the cost of his insurance. In other words, he is a partner in an insurance business, and shares profits and losses as in any other partnership, save that each member's liability is limited to the amount of his premium note. To insure the fair and proper contribution of the members to the payment of the losses and running expenses of the company, each member is required to give, with his application, a premium note or undertaking, payable to the company, and the amount of the note in each instance is based upon the nature, location and construction of the property insured and the amount for which insured. Collections are made by pro-rata assessments on the notes. The premium notes are usually taken for larger sums than the company expects, with ordinary losses, to collect from the policy-holders; nevertheless, the signer of a premium note is liable for the full amount of the note if the company's losses and expenses

demand it, and, this being so, a mutual company's premium notes are a valuable and important part of its capital, as is the unpaid subscribed stock in a stock company. And the well-conducted mutual companies, as well as the stock companies, provide for and create a cash reserve which gives the policy-holders increased security and enables the company to make its assessment more regular and uniform, setting aside a fund in times of light losses to help to meet its payments when losses are heavier. A mutual company is permitted by law to make a yearly assessment, not more than ten per cent. of the premium notes, to form a reserve fund. A member of a mutual company is liable only for losses occurring during the term of his policy. A member of such a company may be sued upon his premium note, if properly written, in the Division Court for the division in which the head office of the company is located, no matter how far that may be from his home.

Fire insurance, and particularly on farm property, has not been very profitable in Canada for the past number of years, and a great deal of the farm insurance in Ontario is now placed in local or township mutuals, which companies certainly have advantages over the larger companies doing business over wider areas. The local companies, having their directors located in different parts of the comparatively small fields in which they work, have a personal knowledge of nearly every applicant for insurance, and are thus enabled to shut out men of bad reputation or of bad financial standing, or who, because of excessive drinking or other reason, are known to be grossly careless, and thus many bad risks and losses may be avoided. On the other hand, the larger companies have the advantage of the services of officers who have been educated in and have knowledge of the business of insurance, and in insurance, as in everything else, good and skilled management counts for much.

Too frequently the local companies, in their anxiety to keep down rates, fail to provide for any reserve fund, and when the years of heavy losses come, as they do come to all companies, heavy assessments must be made and a great many of the members desert the company to insure elsewhere, and thus the company is weakened and, it may be, forced into liquidation. And in other ways there is sometimes an inclination upon the part of the management to mistake niggardliness for economy; and perhaps to cut down a few dollars in the payment of a loss, a company may lose a member and injure very much its reputation, although no company can satisfy every one in this respect. It will pay a township company to secure the most efficient possible secretary, and when they have a good man, not to lose him for the sake of a few dollars of salary. The experience he will gather from year to year will be profitable to his employers.

Do not always run after the cheapest insurance, for the cheapest is not always the best, and that which at first appears very cheap often proves to be very dear; but always insure; be careful to notify the company of any change in the ownership, occupation or construction of the premises, or of any change in the mortgage; and pay your premiums promptly and in good time, for an "absent-minded beggar" who deserves and generally gets little sympathy is the man who didn't insure and passes a subscription list when a fire comes his way.

Grey Co., Ont.

H. H. MILLER.

### Delays are Dangerous.

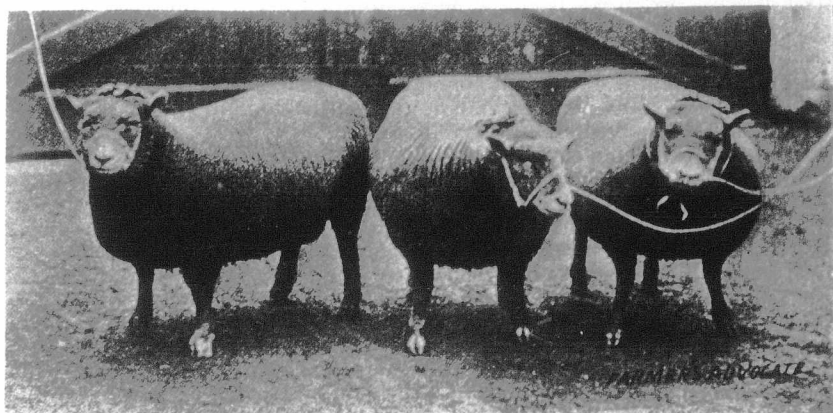
The address label on your paper will show if your renewal subscription for another year has been properly credited. Possibly you have neglected sending in your renewal. If so, delay no longer. Kindly forward the amount to-day.

### First-class Knife.

The premium knife came to hand all right. I think it a first-class farmer's knife—strong and durable, and at the same time not clumsy.

Ontario Co., Ont.

WM. SHIER.



**SOUTHDOWN YEARLING WETHERS.**  
Champion pen of Shortwools, Smithfield Show, 1901.  
PROPERTY OF COL. M'CALMONT, M. P.