

regular companies have come through the examination by the Royal Commission in better shape. Abuses and irregularities were discovered, but what came out was not of a nature to greatly scare the policy-holders. As one result of the investigation the regular line companies may, in the future get some of the insurance which has formerly gone to the fraternal orders.

### SAN FRANCISCO.

We have been favoured by Mr. M. C. Hinshaw, manager for Canada, of the Atlas Assurance Co., Ltd., with a very interesting pamphlet full of information about the situation at San Francisco, derived from Mr. W. B. Medlicott, one of the adjusters for the above company. This gentleman spent three months in San Francisco, and expresses himself as follows:

Referring to the building situation he says, "The most serious obstacle is the labour Unions. Many wealthy men feel that they cannot afford to build because of the prices of labour. Mr. Medlicott's ideas concerning the "heathen Chinese" have undergone a great change, for he found the Chinese so honest in their statements as to their losses that not a single dispute arose over one Chinese claim. Not even in a case where a Chinaman carried over \$200,000 insurance was there the slightest reason to dispute the Chinaman's statements. On the contrary, he found that the Japanese are "utterly unreliable and full of trickery." In fact, he states that in San Francisco the Chinese are not so hated as eastern people believe, but that no Californian "has any use" for a Jap.

The losses of the Atlas at San Francisco, total about \$5,000,000 which is being paid direct from the H.O. without disturbing the United States funds of the company. Bad as the earthquake was and startling as are the evidences of its work that still remain, it was directly accountable for but a very small percentage of the fearful loss that has fallen upon San Francisco. I have talked with many old and conservative men who are in a position to judge as clearly as anyone can, and the maximum figure given for the direct earthquake damage to property is \$10,000,000 in the entire city. When we compare this with the fire waste that was probably fully fifty times as large, it shows why the San Francisco people so bitterly resent the placing of the earthquake before the fire in importance in the treatment of the losses. Of course, if there had been no earthquake, there might have been no fire; probably there would not have been. Certainly there is little likelihood that but for the seismic disturbance there would have been the 30 or more fires all at once. Nor would there have been the wreckage of the water supply system and consequent lack of fire-fighting facilities

Still, Chicago, Boston, Baltimore, all burned without an earthquake, and while we all believe the "tremblor" was the cause of the fire, we cannot in any specific instance prove it. To a number of the stronger companies, therefore, it has appeared from the first that we must regard the earthquake effects as specific and not general in their relation to our fire insurance contracts. This last phrase cannot be too strongly borne in mind in order to look at the situation justly.

Mr. Medlicott concludes by saying:

"As to this stricken city there is so much in the papers that it must be an old story. I can only say that one who has not seen it and lived in it and been a part of its reconstructive conditions can never realize the immensity of the calamity. The first days of my sojourn here were days of no street cars, no lights other than tallow candles, no telephones, no water, of cooking done in the streets, and soldiers patrolling with muskets on shoulder everywhere. I can say, though, that for quiet orderliness nothing more could be desired. The closing of the saloons doubtless contributed mainly to this. Every evening we have taken long walks, often for miles along the streets of the burned area, almost deserted, absolutely still. The weirdness of the scene, especially by moonlight, can never be forgotten. Everything that man had produced was utterly laid waste. Gradually the scene is changing. The one-story frame stores are rising everywhere among the ruins, the debris of brick and twisted iron is being removed and everywhere the confident, hopeful nature of the inhabitants is expressing itself.

"Sober second thought is coming to the front and the realization that it will be 10 or 15 years at least before the handicap of the 18th of April is overcome is being admitted in place of the absurd boasts of two months ago that three or five years would see a greater and more beautiful city than before."

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Our contemporary "The Pacific Underwriter" referring to existing conditions, as regards Fire Underwriting, in San Francisco, says:

"The streets are confiscated by contractors who pile material thereon with an utter disregard to the rights of the road. Street car tracks are torn up and left with blocks of concrete piled on each side of an unpassable trench. These conditions must be remedied or the careful underwriter will cancel. In fact, the best underwriters who regard physical conditions as being a factor in the risk have cancelled. Day by day the danger grows greater. Leases taken three months ago for mercantile occupancies are already rent burdensome, and it is too well known that a fire cancels a lease. The retail trade is fluctuating, one section is bid-