

Insurance and Finance CHRONICLE.

N^o. 4.
VOL. IX.

Office:
1724 Notre Dame Street.

MONTREAL, APRIL, 1889.

SUBSCRIPTION,
\$2.00 per ANNUM.

Insurance and Finance Chronicle.

PUBLISHED MONTHLY,
R. WILSON SMITH,
Editor and Proprietor.

OFFICE: 1724 NOTRE DAME ST., MONTREAL.

Annual Subscription (in advance) - \$2.00
Single Copies - - - - - 0.20
Per Hundred Copies - - - - - 18.00
Prices for Advertisements on application.

All Communications intended for THE CHRONICLE must be in hand not later than the 25th of the preceding month to secure insertion.

CANADIAN FIRE UNDERWRITERS' ASSOCIATION ANNUAL MEETING.

There is a very great misconception in the public mind as to the objects of a Fire Underwriters Association, people being apt to imagine that the whole aim of such an association is to force and maintain rates at the highest possible point. This idea is entirely erroneous, for, as has been shown by the Government Returns, to which attention was called by president Kenny at the late annual meeting held in Montreal, the average rate of premium charged in Canada was absolutely lower at the date of the last report (1887) than when the Canadian Fire Underwriters Association was first established, and this, as we ourselves have already endeavored to demonstrate, is mainly if not altogether owing to the inducements held out by the associated offices, not only to individuals but to municipalities for improvement in separate risks, and also for the better fire protection in towns and villages.

While, as was to be expected, a large amount of the business brought up at the late meeting of the Underwriters was of a purely formal and routine character, of little interest to those not connected directly with the fire insurance business, yet there were one or two subjects of such vital importance to the public as well as the companies, that we think in justice to themselves the latter should have published a few facts which would have dispelled some of the false notions generally prevailing in regard to the association being antagonistic to the interests of insureds and property owners.

First there were the reports upon electric lighting made by two of the association's paid inspectors (both first class electricians), describing the various towns and cities in Ontario whose electric lighting systems both public and private had been examined, with the improvements insisted upon and carried out, in order to minimize the fire hazard, and we sincerely regret that a similar inspection has not been applied to this Province. We agree with the above inspector's reports that with proper safe-guards electricity is the least hazardous method of lighting, but without those safeguards it may be one of the most dangerous.

Secondly, there were the inspectors' Reports regarding schedule rated risks and the fire protection of cities and municipalities. We understand that about two thousand special hazards have been inspected or reinspected during the past twelve months, and that in a very large number of cases improvements more or less had been made, owing to the reduction in rates to be obtained for such improvements, and further, many about to put up some factory or workshop had voluntarily applied to the association for a description of the "Standard" building which would enable them to insure at the lowest rate. Then again many towns and villages have taken advantage of the means offered by the association to obtain lower rates, and several municipalities have been raised in their classification through improvement of their fire protection appliances in accordance with rules laid down; Belleville for instance, which used to rank as a "D" town, having adopted a system of water works, is now classed "A," and the fire insurance rates lowered about 25 per cent. Let us ask any unprejudiced person whether he thinks we should ever have obtained the recent improvements to our fire protection in Montreal but for the pressure brought to bear by the underwriters association.

It will thus be seen that the mere question of rates forms a very small item in the aims of the Canadian fire underwriters association (although it may be the pivot upon which the whole fabric revolves), and that apart from rates the "promotion of the interests of fire insurance business in Canada" (one of the objects of said association) is of equal importance to the public as to the companies, and that the former could permanently benefit by the break up of the association with the utter chaos which would follow, is as