entries in an office. Some idea of the detail involved in the offices may be gathered from the fact that over one million policies are now issued in Canada every year.

Fire insurance is an insurance of interest in property, not the property itself, and so in addition to the insurance of the building there can be insurance taken on the rents or the revenue, or of the use and occupancy. Also as it is the interest which is insured, when a property has been sold, the interest has ceased and the policy is no longer in force unless the company consents to allow the new owner to purchase the old policy and transfers it over to him.

The companies do their business through agents who are paid on a commission basis. It is very seldom that paid canvassers are employed, and if such are engaged it is usually by an agent who represents a number of companies doing all classes of insurance. The public require not only insurance against fire but against various other contingencies, and so an active agent must needs represent companies doing all clases of insurance. The only satisfactory way of remuneration is consequently by commission, as it is almost impossible for an agent to devote all of his time to one company's interests.

Losses are settled chiefly by independent adjusters who are selected because they are fair-minded men of experience who are instructed to act impartially between the insured and the company. This system in Canada is to some extent responsible for the very few cases of litigation arising out of fire policies.

RE-INSURANCE.

As every prudent company limits its liability on single risks and in cities it is often necessary that they reinsure with other companies some portions of risks which they accept for valuable clients, and so a system of reinsurance has developed whereby a considerable amount of the liability in large cities and on large properties is spread upon the shoulders of companies throughout the world. This system of re-insurance is one of the greatest safeguards against the sweeping away of the insurance companies doing business in any country, as the result of a great conflagration.

The difference in the matter of capital and reserves of insurance companies may be mentioned, in the United States it being strictly held that a fire insurance company's capital is in the nature of a guarantee and requires to be maintained intact so that at any time the company could reinsure all its business with another office, or repay the unexpired premium to all its policyholders and also be able to pay back the shareholders their capital in full. In Canada, on the other hand, while companies are required to have certain capital before they can commence business, after they have assumed considerable liabilities they are not required to maintain their capital intact as a guarantee against the unexpected, and are permitted to continue business so long as they have merely enough funds to reinsure their business with another company or pay back the unearned premiums. The practice in the United States has developed there a number of very strong companies, while at the same time forcing many companies to go out of business. The result of this system, coupled with the system of reinsurance referred to, was that while in the great fires of Chicago and Boston there was upwards of $50,000,000 not collected because of the failure of insurance companies, in San Francisco with a very much larger loss nearly the whole was collected.

GROWTH OF THE BUSINESS.

The business of fire insurance has grown in Canada to such proportions that the annual premiums paid to licensed companies amount to about $25,000,000 and the policies in force amount to about $3,500,000,000, while in a city like Toronto the liability carried by the companies would be about $400,000,000.

The insurances written are upon all classes of property and to persons in all ranks of life. Fire insurance touches every class in a community and head offices have in consequence to consider a great variety of contracts, and the conditions affecting a multitude of risks which they assume.

The losses by fire in Canada are very heavy, ranking with the United States as the righest in the world, for in 1910, 1911 and 1912 the losses varied from $21,500,000 to $23,500,000, while in 1913 they amounted to $26,346,000. The fire insurance companies are constantly doing what they can to stop this fire waste, supporting fire prevention associations and suggesting appointment of provincial fire marshals. It is generally thought that arson is responsible for a large number of fires. The most careful investigation would seem to indicate that this is a mistake and that not ten per cent. of the fires are strictly traceable to incendiarism, including that of insane persons. The losses arise chiefly from carelessness and bad construction and are largely preventable. At one time epidemics were thought to be a visitation of Providence. When they discovered that there was a cause epidemics have been stopped.

EVERY FIRE A WARNING.

Every fire is a warning of a cause just as a typhoid fever patient is a warning of bad sanitary conditions. When this is recognized more generally there will be more co-operation to stop the fire loss.

Business to-day is done largely on credit and to have credit there must be confidence. That confidence is largely inspired by a guarantee of fire insurance. No bank would make advances nor a loan company loan its money unless the property which is the basis of the security was protected against fire. The debentures of a city could not be sold unless it were recognized by investors that the city was well built and well protected and was adequately insured. The values of real estate are maintained and the permanence of employment guaranteed by modern fire insurance and so it can be justly claimed that fire insurance, by giving confidence to the business world, is one of the principal foundation stones upon which the modern commercial fabric has been erected.

IMPERIAL UNDERWRITERS' CORPORATION.

The Imperial Underwriters Corporation of Vernon, B.C., was purchased by the Sun Insurance Office of London, England, and a new Company called the Imperial Underwriters Corporation of Canada, incorporated by special Act of the Dominion Parliament to take it over.

A Dominion license has been secured for the new Company, the policies of which are guaranteed by the "Sun," the oldest insurance Company in the world.

The Imperial Underwriters is represented in Montreal by Mr. Geo. A. Fox.