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Ill-Effects of No Co-Insurance Clause.

The ill-effects of no co-insurance clause is invariably spoken of by the adjusters of losses at Baltimore. The rates were absurdly low in comparison, and repeated the old-time folly of New York, of permitting an insurance of 20 per cent. of value for a rate of one-tenth the proper scale. In one adjustment at Baltimore on a supposed fireproof building, it was shown that the sound value was \$650,000, the loss \$295,000, and insurance, \$150,000, a total loss to the companies for which they received the paltry rate of 50 cents for three years. With an 80 per cent. clause, the companies would have had some show of salvage. The "Insurance Monitor" considers the first reform necessary to bring Baltimore to a proper level, is a compulsory 80 per cent. co-insurance clause on everything.

Compensation To License Holders.

Compensation to innkeepers and other license holders, in England, if deprived of their license by the authorities, is to be provided by an Act of Parliament. The compensation is to be based upon the difference between the value of licensed premises and their value without a license. The amount is to be determined by quarter sessions in concert with the inland revenue commissioners. The money to pay the compensation awarded is to be provided by a fund raised by a levy on the license holders, graduated in proportion to the estimated value of the license. This is a radical departure from any precedent. Though a government measure, it is meeting with vehement opposition in certain quarters, as it is alleged that the value of the licenses throughout the United Kingdom will thereby be enormously enhanced. The fire insurance companies, it may be presumed, will welcome such legislation, as premises from which the license is withdrawn, or likely to be withdrawn, are apt to take fire mysteriously.

Suggestions Re Conflagrations.

At the 38th annual meeting of the National Board of Fire Underwriters held at New York, on 12th inst., Mr. Hall, the president delivered a valuable address respecting the fire insurance situation. The requirements needed for a reduction of rates were stated to be, adequate water supply, fire extinguishing facilities for any emergency, and every building in a congested district be of slow-burning construction, without vertical openings, protective shutters and automatic sprinklers. He said:—

When it has been determined by the highest available expert authority that there exists in any city a serious danger of conflagration in any district in which there is a large aggregation of value, then the fire underwriters should act promptly on the lines of a fixed policy that will commend itself to the best judgment of the leading commercial bodies to secure.

First.—Improved conditions in respect to the danger from fire, and when this improvement is secured.

Second.—A reduction in the expenses of the conduct of our business with a consequent reduction of insurance rates.

Such a line of policy, if equitably followed, will have the support of public opinion, the co-operation of municipal authority and freedom from legislative interference.

Other questions of policy, upon which difference will always occur, are insignificant in comparison, and even these will become less acute with the working out of the plans now before our committee of twenty. It is the abnormal demand for insurance capital for the protection of a few sections that causes the unwholesome conditions in other parts of the country, and it is the frequent occurrence of widespread conflagrations that makes the result of our business so uncertain, and which throws upon our policyholders rates for fire insurance that are too heavy a tax on legitimate business, yet necessary if the insurance capital at risk is to be properly remunerated. With the light we have and the certainty of public support when the facts are known, it appears to me well-nigh criminal to neglect a duty so apparent.