

prevent the publication and use of anonymous documents.

The ingenuity exercised in the compilation of these dodgers or circulars or type-written examples is something remarkable. Their authors will take advantage of a typographical error in the printed statement of a company, (corrected next day, perhaps), to pronounce the company in question insolvent. They will—as in the libel case above described—compare two things essentially different, but made to appear alike by an adroit transposition or substitution of words or by alteration of figures. And with a glib-tongued agent to explain the devilish thing, nine men out of ten may be temporarily misled, and a good company temporarily injured by such misrepresentation. Where misunderstandings arise, as may happen in any walk of life, it would be a good plan if this association had a standing committee to whom such matters would be left for adjustment. A step in the right direction has been taken in assisting to close this regrettable affair, and the association may be of service in other directions, which we may indicate again.

THE C. F. U. A. AND THE NEW SPECIFIC RATINGS.

Editor of THE MONETARY TIMES:

SIR.—Now that the new specific rates have been in operation for a month or so, the C. F. U. A. will have had a favorable opportunity of observing their success or otherwise in such towns as Galt. I suppose it is all right for the tariff companies to secure an increase of revenue. No doubt it is necessary from their standpoint. But what bothers the public here, is that whilst we have been practically free from fires for some years we should be graded away up to the top notch. They say, and not without reason, that the C. F. U. A. should raise their rates in the places where they have dropped so much cash, and leave such towns as ours where they were. At all events they decline to pay these high-flown rates, and they don't have to. The Mutuals and Non-Tariffs are scooping up the business at the old rates, while the poor tariff company's agents are walking around looking at the "other fellows" carrying off their risks. No doubt I shall be told that the C. F. U. A. is acting upon "general principles," which of course is a good thing in its way. But all the same they must expect to drop their business in such solid old stone towns as Galt, and watch how the Mutuals and Non-Tariffs grow!

Enough said.

M. A. C.

Galt, Ontario, 9th December, 1901.

The common mistake is made by our correspondent of contending, or at least implying that because no conflagration has taken place in a town none will take place. There is no known law governing conflagrations. Nor is there any way, as our towns go, of fully removing the conflagration hazard. Given two towns, of equal population, and similar construction, numbers 1 and 2, each with a like proportion wood-built. Let them be provided equally with fire-fighting apparatus, and placed by the underwriters in the same class. The chances of a big fire are to all appearance the same in each, and the people, who secure fire insurance, pay the same rates in each. Suddenly, in the spring of the year, a great fire takes place in No. 1 of these towns, and the loss is \$50,000. In the autumn of the same year another fire breaks out in No. 1 and causes a loss of \$80,000. This community suffers a fire loss of \$130,000. The other town, No. 2, fifty miles away, similarly circum-

stanced and similarly protected, does not lose as much as \$15,000 during the whole year. It is, therefore, concluded by our correspondent and by those who argue on his lines, that an injustice has been done to town No. 2, in maintaining the rates of insurance to its residents, when there had been so little fire loss within its borders, and when town No. 1 had cost the insurance companies \$100,000.

Experience has shown, however, that underwriters cannot so level up rates or level them down. They cannot be guided by the results to a community of any one year's fires alone. They must base their premiums on long experience over wide areas, and consider the conflagration hazard, as well as every other hazard. And it would be disastrous for them to take risks at 50 cents in town No. 2, while charging \$4 in town No. 1, because the fire loss rate of the year only warranted a 50-cent rate in one case, while it justified a \$4 rate in the other town. As to the temporary success of the mutual and the non-tariff companies in securing risks at low rates, which the tariff companies will not accept, it may, doubtless, seem a hard case to the resolute agent, who sticks to instructions, as to rates of premium, to find business going past him. But if these non-tariff rates are too low, and another gigantic blaze, like the Hull and Ottawa fire comes, the mutuals and the other non-tariff underwriters, whom he now envies, may wish they had not been so willing to load up with risks that the tariff companies refused.

COMMERCIAL CONDITIONS IN BRITAIN.

It was nearer thirty years ago than twenty, that Stanley Jevons declared, and was almost reviled by his countrymen for declaring, that the commercial supremacy of Great Britain was in danger of passing away. He showed that this commercial superiority of the United Kingdom was largely the result of cheap coal and iron within her borders, or under her control, and of abundant capital and labor easily available. And he predicted that within a generation or two her relative superiority would pass from her. That it is so passing has been conceded in the present year of grace by pessimistic and sometimes even by patriotic writers among Englishmen. What foreigners say upon such a subject is hardly likely to be friendly, and does not carry much weight among our own kin. But no one could afford to disregard such a portentous fact as the stride made by the United States, a very few years ago, in surpassing the Old Country in the annual output of iron and steel. Nor can we close our eyes to the later and not less weighty fact that the output of coal by the United States now exceeds that of Great Britain, while the pit-mouth price is really lower in the States than in the United Kingdom.

Not many days ago, the statement was ventured by an English publicist, the Right Hon. Leonard Courtney, that the conditions which have made Britain foremost as an industrial and commercial community for many years, appear to be on the point of passing away. Apparently the statement has been challenged, for Mr. Courtney repeats it in a lengthy communication to the Manchester Guardian. Much that he says merits close attention by residents of the British Islands, and may prove of interest to our readers. "It