

## METHODS OF REDUCING "OVER-INSURANCE."

In the course of a discussion in a Toronto weekly journal on the subject of the reduction of fire losses, a correspondent writes:—

Your idea of a Central Bureau for the adjustment and recording of all losses appears to be a very excellent one, and if this Bureau would collaborate with a duly appointed and qualified Fire Marshal, who must be a man of strength and firmness of character, independent of all political influence, then I think we would have a real weapon with which to fight against over-insurance and incendiarism, and a real possibility of reducing the heavy fire losses of Canada.

In modern underwriting practice, "over-insurance" has no place since the policy is one of indemnity merely covering the cash value of property not exceeding a specified sum. "Over-insurance" should be made a legal crime, the company, the agent and the insured being alike held amenable.

The idea of a central bureau for adjusting all fire losses may be "very excellent"—in theory. But we fear there is slight chance under present circumstances in Canada of that theory being turned into practice. Neither is it by any means clear that, even if such a bureau were established, and we gravely doubt the practicability of it, that it would be an effective means of checking fire losses and reducing "over-insurance." Unless there was meantime something like a metamorphosis in insurance human nature, the fire companies would still be as anxious as ever to maintain that reputation for "prompt and liberal settlements" which they prize so dearly and it would be curious indeed if the more enterprising of them did not quickly find ways and means of driving a coach and horses through the machinery of the "Central Bureau."

We should like, too, to share the writer's lively faith that a Fire Marshal can be obtained possessing "strength and firmness of character" as well as "independent of all political influence." If ever in Canada a Fire Marshal is appointed really possessing the last-mentioned qualification for his office, it would be well worth while going a long way to see him—as a curiosity. Some day in Canada, doubtless, these offices may be filled by those who have no qualifications for office except that they are thoroughly qualified technically for their jobs, but that day seems at present a long way off.

### CANADIAN BANKERS' ASSOCIATION.

At the annual meeting of the Canadian Bankers' Association held yesterday at Montreal, Mr. George Burn, general manager of the Bank of Ottawa, was re-elected president. Mr. H. A. Richardson, general manager of the Bank of Nova Scotia, was appointed as vice-president in succession to Mr. Alexander Laird, recently retired. Mr. John Aird, general manager of the Canadian Bank of Commerce, was elected to the executive committee.

## THE OCTOBER FIRE LOSS.

The losses by fire in the United States and Canada during the month of October, 1915, as compiled from the records of the New York Journal of Commerce, aggregated \$14,465,850, as compared with \$14,004,700 in October of last year. The following table gives a comparison of the monthly losses by fire during the first ten months of 1913, 1914 and 1915:—

	1913.	1914.	1915.
January.....	\$20,193,250	\$23,204,700	\$20,060,600
February.....	22,084,600	21,744,200	13,081,250
March.....	17,511,000	25,512,750	18,786,400
April.....	16,738,250	17,700,800	18,180,350
May.....	17,225,850	15,507,800	11,388,450
June.....	24,942,700	29,348,000	10,893,950
July.....	20,660,900	17,539,800	9,006,800
August.....	21,180,700	11,765,650	10,067,100
September.....	17,919,300	14,383,050	14,823,500
October.....	14,932,750	14,004,700	14,465,850
Total 10 mos....	\$193,389,300	\$190,711,450	\$140,754,250
November.....	15,207,600	21,372,750	
December.....	16,126,450	23,507,150	
Total for year	\$224,723,350	\$235,591,350	

There were during October some 230 fires each causing an estimated property damage of \$10,000 or over. This compares with 202 such fires in September and 206 in August.

The October, 1915, fire loss, it will be noticed, says the Journal of Commerce, is less than a half million dollars more than the sum charged against the same month in 1914, while it is about the same sum less than October, 1913. Taken altogether, the fire companies have had a good year so far, and if no serious conflagration occurs between now and the end of the year, 1915 will yield a profit to many of the well managed companies.

## THE DESIRABILITY OF BUSINESS INSURANCE.

Only a few weeks ago in Canada there was a noteworthy example of the advantage of business insurance. Without mentioning names, the principal facts will be stated. Fifteen years ago a Canadian company had insured the life of an important official of a large corporation on the endowment plan. The day it fell due a check for one hundred thousand dollars was handed to the corporation.

For our purposes, as emphasizing the importance of business protection, it is enough to point out the especial value which this policy had, coming in its maturity at probably the most opportune time that it would have been possible to select had the option of choice been open. While an endowment policy is not usually the form that is chosen for such service, under the prevailing conditions it was particularly fortunate that so large a sum in cash was available, and great impetus must have been given to the treasury of the beneficiary.—Union Mutual.

## FOREST FIRE WASTE.

A new booklet issued by the Canadian Forestry Association calls pointed attention to the national loss incurred annually through forest fires. It is stated that in Canada 12,000 forest fires, large and small, occur annually, and the financial effect of these is pointedly and picturesquely described. The booklet, which is compiled and produced in a most effective way, should do considerable good if distributed in the proper quarters.