

Are we Managers, actuaries, and the medical
Degenerating? officers of the assurance companies,
will find this question discussed in a
most thoughtful, interesting and instructive manner,
in the paper by Dr. E. Stuver, of Colorado, published
in this issue.

**A Question for
Railway Officials.**

The expansion of business in several parts of the Dominion has, of late, taxed the resources of our railways to the utmost, and there has been some little complaint from merchants of delayed merchandise, and sidings blocked with loaded freight trains. In the discussion of the constant encroachments of working expenditure on the divisible balances of English railways, the "Financial News" (London) comments on a somewhat similar condition of things as that complained of by shippers of railway freight in this country, and incidentally mentions a possible cause for the occasional disorganization of the freight service on English roads. The "News" says:—

Unless there is a material quickening in the progress of gross earnings in the ten weeks still to run of the half year, the dividend outlook will be far from rosy. Heavily as the cost of fuel fell on the railways last year, it must be more burdensome now; for the stocks accumulated when prices were lower must have been used up long ago. No doubt the study of economies must have been pursued with more than usual intentness, and some appreciable offsets may be discovered as the result. Owing to the differences in the conditions ruling in the two countries, it is impossible for English railway managers to find salvation, as the Americans are doing to a great extent, by adding to the average trainload. Traders here have been spoiled by express goods trains and similar facilities, and the railway companies cannot hoard up consignment until they obtain the best paying load. Besides, we fear that were full loads the rule in this country we might have a complete dislocation of the train services. When a passenger train obtains an unusually full complement, say a day or two before a holiday, it is a usual experience of travellers to find that the engine cannot haul it to time. A nominally fast train which loses thirty or forty minutes in an unbroken run booked to be covered in two hours, with no signal checks to account for the delay, must disorganize the whole service, and cause waits, which mean unprofitable consumption of coal and wages. It was admitted at one of the railway meetings this year that the engines of the company in question were found to be below the standard of power necessary for the work imposed on them. Is this general? Have our railway companies neglected to build their locomotives strong enough to deal with full loads? Is that the secret of unpunctuality and the cause of the stories we hear of sidings blocked with loaded wagons? If so, one economical reform is clearly indicated.

Are the engines on Canadian railways equal to the work imposed on them, or is a scarcity of freight cars the cause of our blocked sidings?

**A Shower of
Salutary Advice.**

In some editorial comments on the conflagration hazard, we last week expressed the hope that the lessons to be learned from the terrible destruction wrought in a few hours at Hull and Ottawa will be embodied in some official report on the origin and progress of the latest great fire. That fire underwriters and the general public are equally interested in these important lessons goes without saying. While the smoke cloud was still hovering over the ashes of millions of property, the Hon. Mr. Drummond, and other members of the Senate, were reiterating protests against the piling of lumber near the city of Ottawa, and pointing out the dangers arising from the building of wooden houses roofed with wooden shingles in thickly populated cities. Following this, we have had a perfect shower of salutary advice from the insurance journals of the neighboring States. They tell us that insurance companies are fully justified in raising rates, unless property owners are brought to a realizing sense of the need for more care. There seems to be no doubt that buildings could be more carefully constructed, better guarded, and supervised, and we have, again and again, said that local fire departments and water supplies and hydrants should be thoroughly looked after, and civic fathers forced to keep them up to the proper standard.

However, it appears to us the most forcible lesson we can impress upon the general public is in reminding them that the money paid to policy-holders does not come from the coffers of insurance companies, or they would all soon be ruined. The companies, as the New York "Bulletin" very sagely remarks, "simply collect enough out of all insurers to pay the losses of the reckless or unfortunate, and allow a margin for expenses and profit." In 1899 they collected too little to meet expenses and losses, and the present tendency is consequently in the line of higher rates to equal the increased hazard. The public is responsible for the risks, and the underwriters merely fit the rates to them.

The conflagration hazard deserves this serious consideration. Fire underwriters might come to think, unless a warning were occasionally given, that such risks only upset the calculations of believers in "scientific" underwriting. Yet when one recalls the fires at Chicago, Portland, Boston, St. John, St. John's, New Westminster, and others of lesser importance, it is easy to understand why this latest disaster has let loose a flood of lessons for those concerned.

Not only are these lessons being impressed upon the insuring public, but fire companies and their agents are endeavoring to profit thereby, in evidence of which we publish in this issue the contents of a circular letter issued by the managing director of a prominent Canadian company. The letter deserves the publicity we give to it, as it outlines the liability of all cities and towns to conflagrations; the necessity of strength to enable companies to sustain heavy and unexpected losses; and the wisdom of maintaining profitable rates.