

Under our present protective tariff, manufacturing has grown apace, and every year millions of dollars are being invested in the growing industries of the country. The insurance of these valuable interests is an important item in the expense account of all large factories, and like all other commodities, is bought by those requiring it for the lowest figure at which it can be obtained. But there are times—prosperous times—and the present is such, when the matter of rates is one of secondary importance to the manufacturer. It should be so at all times: but when business is dull and losses from bad debts are many, the business man looks round on every side to see where he may curtail expenses, and the insurance companies are among the first who suffer from his economical ardour. Although it is a well-known fact that dull times in manufacturing and commercial circles are disastrous times for insurance companies, yet the rates are unavoidably beaten down during those periods of depression, therefore it is to the prosperous business years that the underwriter must look for good rates to counterbalance the former low ones. No better times than the present could be selected by the companies to make a stand in the matter of manufacturing rates, and if this is done unitedly, must result in benefit to those engaged in insurance.

Canada, with the exception of the North-West, is destined to become a manufacturing country; the enormous strides of the past few years being a sufficient evidence of that. In such a case, a great volume of the premium revenue of Fire Insurance Companies must come from that class of business, and without proper care in the inspection, selection and rating of risks, an overbalancing amount of loss also. It is, we claim, within the power of the underwriters to make this a great and profitable class of business; but this end can hardly be attained by the isolated efforts of one or two who might struggle vainly forever against the apathy of the immoveable majority.

"It can't be done," "There is no use talking about it," and such like answers are all the reply that can be got, when a suggestion is made for action by which the whole are to benefit by united action.

Yes, we know all about that, similar answers have been given in reply to all attempts at vital reforms, and yet the reforms were effected, only to exhibit the shortsightedness of those who proclaimed their impracticability.

It should not be very difficult to institute a system of inspection and rating somewhat after the manner of Inland Marine classification. A Bureau of Inspectors could be formed, whose duty it would be to inspect and report upon all factories of a specified magnitude throughout the country, and classifying and rating them according to their hazard. Under such a system manufacturers would find it to their advantage to keep their factories up to the proper standard, and thus secure the most favorable ratings for their particular classes of risk.

There are some doubting souls who would suggest that a large manufacturing establishment by the proper application of the shekels could secure a good rating whether deserved or not. But that is a low estimate

of humanity; and we are inclined to think that the objection is almost groundless. We have never heard of such a thing in the Marine inspections, and have no reason to believe that those performing like offices for Fire Insurance Companies would be of any lower moral standing.

From *The Argus* we learn that "the adjusters of Philadelphia intend forming a permanent organization for the interchange of ideas and the better dissemination of thought on the many difficulties that surround this branch of the profession." Philadelphia is a large place, and there are many clever insurance men there, and it is their very ability that makes them see the necessity of co-operation and interchange of ideas. In the crude state each man does all for himself, but when associations of various kinds begin to spring up, they are sure signs of an advance of thought. The greatest scientific, literary and artistic men belong to societies where they receive the benefit of each others experience. The highest and noblest are those who derive benefit from the least, who catch from the smallest plant, the simplest act, or the most random remark, some mead of good to apply to every day existence and practice. Those who maintain that no good can come of such co-operation, but libel themselves, and not their neighbours. They deem that they know so much that there are none qualified to teach them, instead of which they lack the perception to see the sparks of truth through the smoke of error, or the power to extract from the common weed, the medicinal virtue that it contains. Union is progress, in life, in thought, in action. Isolation is decline, decay and death.

Every class of financial investment has its day. In England and France and the United States, insurance stock is at present the favorite by long odds. Every week brings fresh rumours of foreign companies who are about to seek new pastures among our cousins across the line, and not a few are reported as looking to Canada as a prospective field of clover in which to revel. In the United States there is plenty of room and forage for all the new comers, and as for room we can give them plenty of that on this side of 49°, but about the forage we don't know. New companies, unless securing the services of influential and experienced agents, cannot expect to take business from those well established in the country, and although there is much new business to be done, they can hardly expect a very large share. Under such circumstances there is every inducement for reckless undercutting by inexperienced underwriters, and an absolute ruin of the business for the many where there might be enough for the few. If the new companies are managed by conservative and thoroughly competent men, no evil result need follow their advent. Canadian insurance stockholders have had some severe experiences in the past, and which, as yet, they do not seem inclined to have repeated, but if the fever continues much longer on the other side of the Atlantic, there is every probability of it breaking out on this side at no very distant date, and then we may look out for squalls.