an undertaking to promptly pay to the Treasurer all assessments towards meeting the expenses of the Federation as they may be determined upon by the Executive Committee.

Under the energetic presidency of Mr. T. L. Morrisey the Federation may be expected to become a "power in land"—as an educational factor and an influence for fair treatment and fair dealing. Associated with Mr. Morrisey are Mr. D. Weismiller, as vice-president, and Mr. J. C. McCaig as secretary. The offices of the Federation are in the Pelican and British Empire Building, Montreal.

FIRE COMPANIES' RETURNS FOR SERVICE RENDERED.

In its issue of a week ago THE CHRONICLE published an exhibit of fire insurance operations in Canada during 1908 and for the forty-year period 1869-1908 inclusive, based on sworn returns made by the companies to the Superintendent of Insurance. The figures there set forth make it plain that fire underwriting in Canada—whether for a single year or over a series of years—has not been a "mine of wealth" for fire offices.

For the year 1908, as shown below, the combined fire losses and expenses of all companies licensed by the Dominion were over 90 per cent. of the cash premiums received—taking the accepted estimate of 30 per cent. for expenses. In 1907 the corresponding combined ratio was over 82 per cent.

Year 1908	Paid for Losses.	Received for Premiums.	Rate of Losses paid per cent of Premiums received.	Combined Loss & Expense Rate
	$	$		
Canadian Companies..	2,655,226	3,819,372	69.52	99.52
British " ..	5,776,725	9,919,403	58.24	88.24
American " ..	1,847,504	3,288,500	56.18	86.18
Total..................	10,279,455	17,027,275	60.37	90.37

Over a forty-year period the showing was a combined loss and expense ratio of no less than 95 per cent., as the following summary indicates:

1869-1908 inclusive	Premiums received	Losses paid	Rate of Losses paid per cent of Premiums received.	Combined Loss and Expense Rate.
	$	$	$	$
Canadian Companies	58,666,078	38,662,334	65.90	95.90
British "	169,292,389	110,979,984	65.56	95.56
American "	35,732,535	21,976,824	61.50	91.50
Totals	263,691,002	171,619,142	65.08	95.08

From the foregoing it will be seen that net premiums for the forty years have been $263,700,000 and losses about $171,600,000. Taking expenses as $79,100,000 (30 per cent. of premiums), there remains a balance of $13,000,000. But this difference between income and outgo can by no means be considered as all profit. Against this, it has further to be accounted that the net liabilities of the companies for unearned premium reserves have increased by some $10,000,000 from the $800,000 held at the beginning of 1869. In round figures, therefore, a forty-year underwriting balance sheet for the fire insurance companies licensed by the Dominion would be about as follows:

Premiums..............................	$263,700,000	
Losses..		$171,600,000
Expenses..		79,100,000
Increase in reserve liabilities........................		10,000,000
Profit (about 1.2 per cent. on premiums)		3,000,000
Total........................	$263,700,000	$263,700,000

As THE CHRONICLE has more than once remarked in this connection, a profit of but little over 1 per cent. on "sales" has given no very munificent reward to capital invested and risked by the shareholders of fire offices. While individual companies have fortunately done somewhat better than this, yet even the most skilled underwriting has not brought high returns for service rendered.

Those who declaim against premium rates as being unduly high in Canada are seldom heard mentioning the fact that the average premium charged has declined from $1.60 to $1.50 since 1904—despite the fact that this five-year period has not given overly favourable results from the underwriters' view point. Premiums for the five years 1904-1908 were $123,139,000, with losses of $75,165,000—making the combined loss and expense rate over 90 per cent.

The conflagration hazard has always to be reckoned with. Property owners are loath to admit that the premiums they pay must contain practical recognition of this. Materially lower rates can come about only by the community as well as holders of property lessening the risk of fire inception and fire-spreading.

EFFECTS OF TARIFF PREFERENCE.

Relative Trend of Trade Movements with United Kingdom and United States.

Opposition to Imperial trade preference is based on two diverse counts. First, there is the allegation that it is futile; second, that its general introduction would be harmful—at any rate to the Motherland. To the Motherland itself must be left the decision as to the second point. Those making the first-mentioned objection point to Canada's relative trade with the United Kingdom and the United States as strengthing their contention. In some respects it would be more fair to examine into New Zealand's recent trade with the United Kingdom and the United States, because in the case of the southern Dominion, the influence of tariff preference is not so largely offset by geographical nearness to the United States as is the case with Canada. The United States consul-general for New Zealand is convinced that pre-