

FIRE UNDERWRITERS' LABORATORIES

General Opinion of Fire Insurance Men is in Favor of Branch Establishment.

The report on the underwriters' laboratories at Chicago made to the Imperial Board of Trade by Mr. C. Hamilton Wickes, the British Trade Commissioner in Canada, continues to attract considerable attention in fire insurance circles on this continent. A synopsis of the report was printed recently in *The Monetary Times* and last week the opinions of various fire insurance managers were published. Mr. Wickes discussed the effect of the operation of the laboratories on the importation of British manufactures into Canada. He suggested several solutions for his complaints and favored the establishment of a laboratory in England, to be practically an offshoot of the underwriters' laboratories, Chicago, run on similar lines, utilizing the experience gained at Chicago, employing equally competent, but British consulting and technical engineers.

Mr. John A. Robertson, secretary of the Western branch of the Canadian Fire Underwriters' Association, thinks that the English manufacturers and the Trade Commissioner in complaining of the requirement of the insurance companies for an examination of such English made goods as have a bearing on losses by fire, entirely overlook the reason for this requirement having been instituted and its continual necessity. "They are not familiar, as we unfortunately are," he says, "with the tremendous annual loss suffered on this continent from fire and they consequently cannot appreciate the value we put on any machinery evolved to check this. The National Fire Protection Association, made up of manufacturers, private individuals, boards of trade, architects' associations, contractors' associations, creditmen's associations, insurance organizations and others, is the leader in this work, and the Underwriters' Laboratories at Chicago is the branch of that association which does the practical work of examining, testing and approving or disapproving of the numerous articles or devices which may directly or indirectly aid in the starting or spread of fires or their limitation or extinction. There can be no doubt that the laboratories, in standardizing materials and devices, have performed a work of the utmost value to the community, and the insurance companies know they would be failing in their duty both to themselves and the public if they neglected to appreciate and support this work.

Says Companies Are Satisfied.

"The laboratories are, it is true, located in the United States, but the insurance companies are thoroughly satisfied as to their independence and reliability, and these qualifications are as fully admitted by manufacturers here as they are known to ourselves. Then also the location of the laboratories at Chicago is very suitable, as this city is probably as central as any point for the principal manufacturing industries of North America, and the insurance companies have always felt and known that it was better to have one good institution, qualified and equipped in the highest degree, rather than more numerous testing and examining stations where the equipment and staff could not hope to be so complete or capable and which would not therefore have the full confidence of the manufacturers.

"It is evident that we cannot give privileges to English manufacturers that we do not give to our own, and referring to the articles Mr. Wickes speaks of more particularly, viz., electrical devices and wiring, we have felt compelled, owing to the poor quality of much of the latter material made and used here, to assist the laboratories in requiring a better standard, so that now all wiring that is approved has been submitted and passed by the laboratories, and the output of the Canadian factories is examined regularly by our local inspectors and not labeled as approved unless equal to the fixed standard. Examination by local inspectors of goods made in England could be carried out either there or here, as the laboratories and the insurance companies are quite willing to assist the English manufacturers in any way possible to have their product marketed here and offered to the public on exactly equal terms with the same articles made in this country, but at the same time our English friends must be reasonable and not expect us to be otherwise.

Conditions in the Dominion.

"Conditions in the Dominion have shown that the style of buildings, methods of construction, class of work done and the habits of the people generally require a more rigid standardization of materials than is called for in Europe. We have therefore asked our own manufacturers, in their own interests as well as ours, to adopt certain methods and submit to a regular examination of their goods, which, on approval, are labeled and then accepted as satisfactory by dealers, inspectors and the public. This, of course, involves extra trouble and expense, which, however, all here admit to be required, and I do not think it is asking too much of the English manufacturers to require them to conform, for articles they want to sell here, to the rules and practices that obtain in this country.

Mr. J. E. E. Dickson, Canadian manager of the Law Union and Rock Insurance Company, Limited, of London, England, says it is a well-known fact that the Underwriters' Laboratories of Chicago have done excellent work, work that

has been of great value to the premium payers in both the United States and Canada, as well as being advantageous to the "fire insurance companies" and to the American manufacturer carrying on business in the United States, "but however much we in Canada may sympathize with Mr. Wickes in his efforts on behalf of the British manufacturer," he adds, "yet we can scarcely be expected to allow uninspected goods to be used, whether from Great Britain or elsewhere, simply on the assurance of someone interested in selling them that they are as good or superior to those which have been tested and passed by qualified experts.

Establish Laboratory in England.

"It seems to me that the most feasible solution of the difficulty would be to establish in Great Britain a laboratory similar to the Underwriters' Laboratory at Chicago and either affiliated with or separate from the Chicago laboratories, but of such a high character that its reports, after tests and inspections, would be accepted everywhere. I am sure that there is no desire on the part of the underwriters in Canada to put difficulties in the way of the British manufacturers, but our first duty is to safeguard the interests of the insurance companies."

Mr. Alfred Wright, manager for Canada of the London and Lancashire Fire Insurance Company, Limited, of Liverpool, England, says he has not had time to go carefully into the subject, but he has not heard of any Canadian manufacturers complaining of unfair treatment or discrimination of any kind. "On the other hand," he adds, "there could be no objection, excepting on the ground of expense, to the maintenance of a laboratory, either in Canada or the United Kingdom, provided the standards were kept sufficiently high to meet the exigencies of climatic and other conditions obtaining on the North American continent, the requirements for which must necessarily be more stringent than those of Great Britain."

OUR MUNICIPALS AT HOME AND ABROAD

Saskatoon Has Placed Six Months Bills—Edmonton Has Big Issue for Disposal.

The city of Saskatoon has placed in London an issue of six months bills at $5\frac{1}{2}$ per cent.

Underwriting is proceeding in London for Winnipeg city's £750,000 $4\frac{1}{2}$ per cent. loans, at par.

The underwriters of the Toronto city loan of £1,075,000, took eighty-five per cent., which confirms previous cables of the Canadian Associated Press, concerning the attitude of the London market and a probably poor public response.

Success of Quebec City.

The success of Quebec city's $4\frac{1}{2}$ per cent. debenture issue of £400,600, which was oversubscribed when offered by the Bank of Montreal in London, is satisfactory when compared with the reception accorded issues made since. The general attitude is unfavorable to new flotations, according to the London financial correspondent of the New York Journal of Commerce, who cabled towards the end of the week as follows:—"British investors are hanging back. New capital issues are being very indifferently subscribed, underwriters themselves being compelled to take most of the offerings. There is a strong demand for money, the requirements of short-term notes, war bills, etc., easily absorbing the surplus funds of the banks and insurance companies."

Edmonton Had One Offer.

The city of Edmonton has for sale two bond issues, one for \$1,250,000 and the other for \$5,500,000. Tenders were called for these and among the offers was one from a London firm to underwrite the issues for 90 if the rate of interest is $4\frac{1}{2}$ per cent. This offer was refused.

The Imperial Bank will handle the smaller issue.

The city of Guelph proposes to purchase city of New Westminster debentures to the amount of \$19,000, payable in 1917, for the sinking fund, as the money will be needed at that time.

No Bids for These.

The St. Agnes Roman Catholic School District, No. 22, Saskatchewan, has for sale \$50,000, 5 per cent. debentures, maturing in forty years. The money is required to purchase a site and erect a school. Although this is the second time tenders have been called, no bids were received. An offer, however, was made by a Toronto bond house at 96 for \$30,000 6 per cent. bonds, but the authorities refused to sell at that figure.

Mr. D. L. Clink was elected president of Battleford, Sask., board of trade: Mr. W. W. Smith was elected vice-president, and Mr. J. Chivers, secretary. For the executive committee the following gentlemen were chosen, Messrs. F. G. Atkinson, L. P. O. Noel, D. B. White, A. J. MacCormack, A. G. Cunningham, J. Nicoll, J. Hoover, L. E. Schaefer, and L. H. Good.