

Then take our friends the manufacturers. If the vice-president of the Association in Montreal voices their sentiments they stand sadly in need of education. This gifted gentleman amongst other things says that the fire insurance business in Canada is in a bad way—some of the leading lights in the business told him so. He proceeds to tell us how we should conduct our business. As a preliminary he suggests reductions in rates. And why? Because some American companies following modern and up-to-date methods come over into Canada and write business at one-fifth or one-sixth our rates, and do it at a profit. This would be a serious arraignment if true, but it is not true. There are only two kinds of American companies that come into Canada by the underground route—the wild cats and the factory mutuals. The wild cats certainly do business at a profit for their business only amounts to collecting premiums; as they don't pretend to pay losses, their business must of necessity be all profit.

Then as to the factory mutuals, they don't do business at a profit because they are mutuals. When a concern goes into the list of the mutuals they at once assume the position of insurer as well as assured, and they can't tell what it is going to cost. It may be, as it should be, that the rate charged by the stock companies is more than the cost for any given time in the mutuals, but it is so because the price is fixed, and no matter what the experience may be we cannot get any more.

But I do not think the vice-president in Montreal did voice the sentiments of the Manufacturers' Association. I see that the body have worked out a scheme of insurance of their own, and they have wisely determined to write small lines and to charge the same rates as the line companies. On the whole, I think the manufacturers may be left to themselves. If they go on with that insurance scheme they will get their education at first hand.

We next come to the civic authorities. There is virgin soil to work upon if you will. The average city father looks upon the underwriters as his hereditary foe. In Montreal the genus is developed to perfection. In that city at the last civic election the insurance question was to the fore. I can't say that it was an issue because the defeated as well as the elected came out just as strongly. It was a plank in the Mayor's platform, as well as in those of most of the aldermen, that if elected he would work with unremitting energy, and never let up until he has accomplished his purpose. What purpose, do you suppose? Why a reduction of insurance rates! Never a word about affording the citizens better protection for their property against fire! What care he though wild alarms break upon the midnight air, and the sky become lurid with the glow of burning property; the rates must come down! What though the insurance companies be losing money hand over fist; the rates must come down!

Now the aldermen are not bad fellows when you know them, and they display fair average intelligence when you get them on any subject other than insurance. Would it not be possible to teach them something about insurance? Is the case hopeless? I think not. I think the day will come when city councils will consider this question, not from the standpoint of what it is going to cost, but how perfect can the protection be made, and popular opinion will not allow them to view it in any other way. The same principle that prompts a man to spend ten to fifteen thousand dollars in protecting a couple of hundred thousand dollars in value in his store or factory, will prompt the community to spend money with an equally lavish hand to prevent and save loss from fire. When that day comes, aldermen need not sit up nights thinking about insurance rates—they will come down.

But we must carry this education propaganda a little further, namely, to the Provincial Legislatures. They don't bother us much, except to tax us. We don't object. We are prepared to pay our fair share, but why don't they go a step further and tax those modern and up-to-date concerns that come in and do business without contributing anything to the public treasury. One province, Manitoba, has already anticipated our wishes in this respect, so perhaps it might

not be a difficult matter to educate the other Provincial Legislatures up to the beauties of augmenting their revenues in like manner.

And lastly, Ottawa. Up there they undertake to regulate the insurance business of Canada. They insist upon our putting up a deposit and keeping up our reserves. They supervise our methods, and make us toe the mark generally. Now why do they do all this? Certainly not at our request. We don't consider it necessary to our welfare, or that it benefits us in any way. They do it for the protection of the public. And yet we are told on the authority of the vice-president of the Manufacturers' Association in Montreal, that the cream of the manufacturing risks in Canada are being written in these modern and up-to-date concerns that come into Canada without let or hindrance, and openly violate the law.

If we mention this at Ottawa we are told the law is there, lay the information. But if the reason for the law is sound why should it devolve upon us to lay the information? We haven't asked for the law, we feel that we don't need it. We believe it is in the public interest, but in a narrow sense that is no concern of ours. But if it be admitted to be in the public interest why does not the law go further and protect the public? A few seeds scattered at Ottawa might bear fruit.

So you see, gentlemen, the members of the Insurance Institute have quite a programme cut out for them, and they can accomplish much if they but qualify.



FIRE INSURANCE MATTERS.

Recently the German Minister of Public Works was petitioned to allow of the construction of "sky-scrapers" in Berlin and other cities. It was pointed out that the present limitation of the height of buildings, namely, to seventy-four feet, was uncalled for in view of modern methods of steel construction. This called forth the rejoinder from the Government that the danger from fire had by no means been eliminated by steel framing, and instances were cited from this side of the Atlantic in which people situate in the higher stories could not be rescued when fire had broken out in the lower part of the buildings, and where it had proved impossible to get water high enough to extinguish the flames. Another objection to the removal of the present restrictions was that such removal would doubtless lead to an era of wild real estate speculation.

That organized labor by its high-handed methods and continued demands for increased wages may kill the goose that laid the golden eggs—not only in the narrower sense of loss of employment, but in permanent injury to certain industries—is indicated by the substitution of concrete for brick and stone. This tendency has received a great impetus from the mode of construction adopted by the contractors for the New York subway, which is of concrete, reinforced by steel. Not only has the use of concrete reduced the cost of the work by permitting the employment of unskilled labor, thus rendering the contractors largely independent of bricklayers and masons; it has prevented strikes and the delays incident thereto.—N.Y. Economist.

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