PRINCIPAL FIRES IN CANADA, INVOLVING LOSS OF $5,000 AND OVER, JULY, 1913.

July	Place	Risk	Loss
1	Belle River, Que...	Settlement and supplies	$300,000
1	Herbert, Sask......	Elevator.	5,000
1	Jacksonburgh, Ont.	Lumber.	20,000
2	Nelson, B.C........	Residence.	6,000
4	Milverton, Ont.....	Ware rooms.	75,000
4	N. Battleford, Sask.	Factory.	60,000
4	Three Rivers, Que.	Court House.	30,000
5	Montreal..........	Manufacturing block. .	50,000
5	Ottawa, Ont.......	Theatre, etc.	*57,000
5	St. John, N.B......	Grist mills.	20,000
5	Montreal..........	Church.	*162,000
6	Toronto...........	Steamer.	6,000
6	Hamilton, Ont.....	Freight sheds.	75,000
7	Sarnia, Ont.......	Elevator.	*212,000
7	Scotts Jct., Que...	Lumber mills.	60,000
8	Toronto...........	Store.	11,000
9	Meaford, Ont.....	Elevator.	70,000
9	Montreal..........	Store.	5,000
10	Ottawa, Ont.......	Hotel.	5,500
10	Calgary, Alta......	Store.	20,000
12	St. John, N.B......	Business building. . .	25,000
14	Earl Grey, Sask...	Store.	15,000
14	Herbert, Sask.....	Livery stable.	5,000
14	Montreal..........	Store.	5,000
15	London, Ont.......	Box factory.	10,000
15	Hensell, Ont.......	Evaporator.	9,000
15	London, Ont.......	Shoe store.	10,000
16	Charlottetown, P.E.	Business building. . .	8,000
18	Montreal..........	Racing stables.	25,000
19	Calgary, Alta......	Store.	10,000
21	Calgary, Alta......	Store.	25,000
21	Trenton, Ont......	Lumber.	10,000
22	Brandon, Man......	Warehouse.	10,000
22	Waterford, Ont....	Freight sheds.	8,000
23	Hymers, Ont......	Saw mill.	30,000
24	Listowel, Ont......	Hotel.	10,000
24	Perth, N.B.........	Residence and church.	5,000
26	Orillia, Ont.......	Manufacturing premises	5,000
27	Brock, Sask.......	Conflagration.	150,000
27	Quebec...........	Residences.	20,000
27	St. Catharine's, Ont.	Barns and drive shed. .	7,000
28	Niagara-on-the-Lake, Ont.......	Barns and outbuildings	5,000
29	Port Huron, Ont...	Wrecking Co's plant. .	15,000
30	Toronto...........	Houses.	7,000
30	Brandon, Man......	Farm residence.	7,000
31	Louiseville, Que...	Conflagration.	150,000
31	Toronto...........	Business building. . .	45,000
31	Lethbridge, Alta...	Lumber yard.	15,000
31	Orangeville, Ont...	Stores.	30,000

*Insurance Loss.

WHERE FIRE INSURANCE DIVIDENDS COME FROM.

For many years it has been a favorite argument with those desiring to criticise fire insurance companies that the dividends paid to stockholders of such companies are evidence that the premium rates for fire insurance are unduly high. That this is not a correct deduction is demonstrated by facts gathered by the New York *Spectator*. It is made clear that the investment earnings of eighty-seven millionaire American fire companies not only paid all the dividends to stockholders in the last decade, but contributed $53,313,724 towards making up the deficiency in the underwriting account, or the strengthening of surplus funds. It is conclusively proved, therefore, that the underwriting earnings, if any, were not drawn upon for the purpose of paying dividends, but were allowed to accumulate for the protection of policyholders, and that the criticism above referred to has no sound foundation. Not only this, but it is shown that above and beyond the excess of investment earnings over dividends, stockholders have contributed to surplus funds, either by payment of assessments, by premiums on new stock issued or by reduction of capital stock, the sum of $32,571,438, making an aggregate of $85,885,162 in excess of dividend payments, which has either been earned by investments or contributed by stockholders. As a matter of fact, the underwriting operations of the bulk of the companies have resulted in the very slightest margin of profit during the whole of the last decade, and have yielded very severe losses for several of the years embraced in that period, which included two great conflagrations, with heavy net underwriting losses for the entire period for a number of the companies.

DANGERS OF TOO RAPID GROWTH.

Following closely upon the failure of the Omnium, Law Car and General, United London and Scottish, and Glasgow Assurance, the disclosure now made by the National General is a serious matter for non-tariff insurance offices. Again we repeat that the real lesson to be drawn from modern experience is that companies must be content to start in a modest way, and that slow growth is essential to permanence and success. We do not remember a single case of a new company rapidly acquiring a large and at the same time a really valuable connection. It is possible, however, to quote almost any number of instances of offices coming to grief through undue haste in the building up of a premium income. Taking a few notable cases, we have:

Date of formation.	Company.	Premium Income.	At close of
1887	Economic..	£328,227	5 years.
1906	Law Car and General.. . .	367,867	3 "
1908	Glasgow Corporation.. . .	116,843	3 "
1908	National Provincial.. . . .	33,984	1 "
1910	Omnium..	122,187	1 "
1911	United London & Scottish..	93,037	3 "
1911	National General..	300,482	3 "

We have often pointed out that there are scores of well-equipped and well-organised offices in the country to-day keenly competing for any insurance business which holds out a reasonable prospect of producing profit. This being so, it is self-evident that large blocks of desirable business will seldom come upon the market, and any company making large additions to its income must be taking hazardous risks. Young companies cannot afford to write this class of business, and so we have no hesitation in saying to our readers—be they policyholders, agents, or shareholders—that when they see a company making huge additions to its income, they will be wise if they avoid becoming largely involved in the fortunes of that concern.

Over a year ago, when writing of the folly of reckless underwriting, we said "our remarks apply with greater force to non-tariff than to tariff offices. There are to-day a number of offices which are rapidly heading for trouble and disaster. Have they the courage or power to pull up in time, we wonder? If not, the next year or two will see great changes in the insurance world."—Manchester *Policyholder*.