

The fire loss of the United States and Canada for the month of April, as compiled from the carefully kept records of the "Journal of Commerce and Commercial Bulletin," shows a total of \$23,623,000. The following table gives a comparison of the losses for the first four months of the year, and the same period in 1902 and 1903:—

	1904.	1903.	1902.
January	\$21,790,200	\$13,166,350	\$15,032,800
February	90,051,000	16,000,800	21,010,500
March	11,202,150	9,907,650	12,056,600
April	23,623,000	13,549,000	13,894,600
Totals	\$146,666,350	\$52,703,800	\$61,994,500

Deducting the losses at Baltimore, Rochester and Toronto, the losses thus far this year by the ordinary fires would aggregate \$60,966,350, or some eight million dollars more than the sum charged against the first four months of 1903. The large fires during the month of April were the following:

Toronto, Ont., general conflagration.....	\$12,500,000
Montreal, Que., dry goods houses and other.	232,000
West Tampa, Fla., cigar factories and dwellings. .	250,000
Wilkesbarre, Pa., flour mill	225,000
Camden, N.J., talking machine factory	400,000
Midland, Ont., grain elevators.....	280,000
New York City, soap factory and other.....	230,000
Fernie, B.C., business part of town.	450,000
Providence, R.I., furniture store.....	290,000

It will be seen from the above exhibit that the fire underwriters have suffered very severely during 1904. There appears to be a decided difference of opinion as to the system upon which an advance of rates should be made, and in fact some companies seem to quietly oppose such action altogether. Clearly, the fire underwriting outlook is not bright.

NEW VERSUS OLD BANKS.

In the prospectus issued by the promoters of one of the lately launched Canadian banks, the claim was made that a new bank just setting up in business, enjoys a number of advantages not possessed by its older competitors. Particular stress was laid upon the fact that in the case of a new institution practically every dollar of resources, except its reserve of cash, is available for revenue purposes, and contributes directly to the profits. On the other hand, everybody knows that after a bank has been in existence a number of years, even when its affairs are administered by a management in the highest degree efficient, it cannot escape bad debts and losses, unless it resolutely declines to accept its share of the ordinary everyday business of the country. It is the custom whenever a bank has under consideration a proposition for a loan, or for a line of discount, for the banker to scrutinize carefully the position and prospects of the applicant. The would-be borrower must have good character and credit; he must have the appearance of solvency and of prosperity, or his business is declined

without compunction. It is only then in those cases where gross deception is practiced, or where the banker in his eagerness to increase his profits, violates some one or other of the sound principles that should guide him, that immediate losses of consequence are to be apprehended from the new business constantly accruing to the banks.

But since there will always be, among the business men of a country, a number of incompetent and a sprinkling of knaves; since the vigilance of bankers relaxes occasionally, it is only a question of time before a percentage of the new business taken on in any given year by a bank develops signs of unsoundness. Sometimes it happens that the discovery of this is not made until it is too late to avoid a loss. In this respect the advantage possessed by a new bank might be said to be similar to that enjoyed by a new life insurance company. With prudent management both should be able to start with a clean list made up altogether of good risks, from which it might be expected that neither losses nor claims of any importance would result for a considerable time.

Although in theory this is the case when a new bank is started, in practice it does not always work out so smoothly. It is said about one of the banks that failed not long ago, that its debut in the business world was made by taking over a good big line of paper which had been carried by another bank as past due bills. This was, of course, an exceptional case; the men who have formed the new banks of to-day, are, doubtless, much too experienced and wide-awake to be caught in such fashion. The episode is given merely as an illustration of what is called by bankers the art of unloading. A branch bank entering a new territory and a new bank opening for business are naturally most susceptible to attack in this way. No bank manager would be guilty of suggesting to an insolvent customer that he try to secure a loan from a new coming bank; but it might happen that a manager would choose the occasion of the advent of a new bank to put special pressure on some of his borrowers, of whose accounts he was getting suspicious. Apart from the fact that a new bank starts with none of its capital locked up, and, that for some time after commencing, an unusually large proportion of its business should be sound and vigorous, the advantage in the race seems to lie with the old established institutions. These have their branches planted in selected strategic points all over the country; through their directors and through their other connections they wield an influence that is felt even in remote little towns; their record of long and honourable dealing through all the crises and depressions that Canada has seen, gains them the confidence of depositors; their staffs are like well drilled armies, with the fullest knowledge of the business in the different districts; through their