

necessary hazard of the class, such percentage as will cover deficiencies, extras and exposures; true, he may find such a rate as is prohibitory, but, even so, it is the only just, honest, equitable and safe one, and it may lead to such improvements as will make the risk a desirable one, thus increasing his income without a disproportionate increase of hazard.

The question of "Rates" and "Rating" is that part of my subject which may endanger my chances of obtaining the prize, but being the all-important one, it may not be shirked. As some places have yielded, and some companies have realized profit whilst others have records of loss alone to shew, and as, in several instances, this is true of different general agencies of the same company; a general advance of rates might neither be equitable, nor its justice be made so apparent as to secure its realization.

Wherever profit has proceeded from *absence of hazard*, instead of from its non-culmination: or to whomsoever it has accrued by reason of a proper appreciation of the risks assumed, instead of from mere good fortune; in these cases honour is due, and where the same good qualities exist the same good results will accrue; these localities and agencies are making due provision for the contingencies of the future, and it is evident **THEY** should not be asked to increase rates.

Where then, and under what circumstances should the company look for additional income? I reply unhesitatingly and conscientiously, *To those places where additional hazard exists and in all places in exact proportion to the hazard, from whatever cause it may arise.*

In computing the rate of a risk, it must always be remembered that insurance is not properly a hand-to-mouth institution, but is a provision for contingencies; it is absolutely necessary that the good times be made to provide for the effects of the evil ones, which follow as surely as night follows the day; classes of risks must be made to provide for their decadence, in the time of their prosperity, even as men are expected to provide for old age, in the time of their health and strength, or as the bees gather honey in summer in proportion to the severity of the coming winter; Proprietors, Agents, and Managers must, by justice and reason, be made to understand that increase of risk is increase of cost, and that the companies are entitled to liberal compensation for the pledge of their capital in a business which bears the risk of all businesses, as fire insurance certainly does

Warranties, Wordings and Permits must be valued; they may be "trifles light as air" when computing a rate or when writing a policy, but they become "little rifts within the lute which let the adjuster's music out" because they make the losses total at the time of the fire, and no company can stand too large a proportion of "total" losses under its policies.

By careful inspections dangers must be discovered and eliminated. Proper precautions must be insisted upon; Incendiaries must be prosecuted. (this, though, is the proper business of the Government). Adjustments must take the places of scratch-settlements, as right, neither more nor less, is every man's right and duty.

Right and duty are hard words, they imply so much that may cause personal unpopularity, especially if the person who endeavors to follow them is unsupported by his *confreeres*, therefore it is desirable that Local as well as General Boards be formed for the discussion of matters pertaining to the

business and for the proper advancement of the interests of the companies; failing these, or assisting them, each separate Agent and Manager should resolve, and steadfastly continue in the resolution to calmly weigh the circumstances and contingencies of risks, localities, peoples and times, and to govern themselves accordingly, faithfully rejecting all business which does not properly contribute for losses and expenses, with a fair margin for profit.

Of such we devoutly say: "MAY THEIR TRIBE INCREASE." And of such as well as of the INSURANCE SOCIETY, I heartily say in conclusion—

"MAY THEIR SHADOW NEVER GROW LESS."

Experience, properly applied, teaches us to be lenient towards the errors of others, and to reform our own.

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## OBITUARY.

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It is with regret that we chronicle the death of Mr. Cooté, a gentleman who has for many years been connected with Insurance business, as an agent at St. Johns, P. Q. His health had been failing for many months, so that his death was not expected by those who knew him. He leaves behind him a name for honesty and honour, that many may envy, but few emulate. We cannot say more than that he was a Christian gentleman.

THE LONDON STEAMBOAT DISASTER extended its fatal touch through all classes of society and many professions and callings. Mr. J. C. Meredith, who was there drowned, was one of the oldest Insurance agents in Western Ontario, having been appointed agent of the Phoenix Insurance Company some twenty-five years ago. He was a gentleman much respected by all who knew him, and was the father of the present leader of the opposition in the Ontario Legislature.

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NEW INSURANCE PLAN OF GUELPH.—Messrs. John R. McDonnell and E. S. Yates, two engineers from the Insurance Bureau of Mr. Chas. E. Goad, C. E., of Montreal, are at present employed in making a new and extended plan of this city for the use of the Insurance Companies, the old plan which only embraced a small portion of the business part, having become out of date, and being found too small to keep up with the rapid growth of the city. The objects of these plans is to facilitate business between head offices and agents, and give the head offices a means of seeing at a glance the distribution and nature of their risks. As every building and shed on the plan is numbered, all that is necessary for an agent to do in sending an application to the head office is to mention the number of the block and risk on the plan, instead of the old and tedious system of making a separate diagram of each risk. These plans have now become a recognized feature in insurance business, and Mr. Goad has published maps of every town and village of importance in Ontario, the Lower Provinces and Newfoundland, the plan of Montreal, which has just been completed, having taken over two years to prepare. As it is necessary to show on these plans every feature of construction which can affect the insurance of the buildings, such as roofs, partitions, walls, &c., the engineers hope citizens will afford every assistance in giving a correct description of their property.—*Guelph Daily Mercury*, May 23, 1881.

New enlarged Surveys of the cities of London and Hamilton are also in progress.