

The Chronicle

Insurance & Finance.

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Proprietor.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

VOL. XXI. No. 44. MONTREAL, FRIDAY, NOVEMBER 1, 1901.

SINGLE COPY - - .10
ANNUAL SUBSCRIPTION - \$2.00

Certain Iowa papers are urging their subscribers to insure in a local company, even if it's rates are higher than those of a company whose headquarters are in another State or country. The plea is made that such a course is based on the principle of protection to native industries as opposed to Free Trade. The plea is, however, fallacious. Protection to native industries by a tariff on foreign imports is intended to shelter home enterprises from disastrous competition until they have grown strong enough to stand rivalry without artificial aid. As a matter of experience, tariff-protected goods on this continent are cheaper than some of those of the same class that are, or would be, imported. Protection does not call upon consumers of goods to buy home-made ones though dearer than imported; that policy is dictated by another principle. What Protection does, is to put imported goods under a handicap in the race so as to give home industries a better chance. Home insurance and outside insurance are produced under practically the same conditions. The risks of a home company, as such, are neither better nor worse than the risks of an outside company, therefore the costs of such insurance to a home company are not necessarily any greater than they are to the company of another State or country. The home company is at a disadvantage in comparison with a company on a broader basis, usually because it has not the strength of a large organization. This disadvantage is not to be compensated for by higher rates; it is too radical, too great to be so made up. A local conflagration has, in numbers of cases, swept away in a few hours not only the year's income, the reserve funds, but even the capital of a local fire insurance company, while the same conflagration has inflicted as large losses on an outside company without doing it any serious damage. In the former case, no excess of its rates over those of the outside company could possibly have put them on an equality. On business

principles a powerful company should be paid higher rates than a weak one, for what it provides is worth more as it is more reliable. No Protection by excessive rates can possibly develop such strength in a small local company as to place it in strength alongside a company with a broad basis and large resources. It is fallacious to seek to apply the principle of Protection as a plea for supporting a local company and paying it higher rates than outside ones.

The dangers of gasoline are so great that the American National Board of Fire Underwriters has issued rules and regulations for governing gasoline engines, gasoline vapor gas lighting machines, lamps and engines. Observance of these rules will reduce the danger of these risks, but, as the "U.S. Review" says, "The specially hazardous systems contain dangerous features that cannot be measured by any obtainable rate, and on this subject the reports say :

"Gasoline vapor gas-lighting machines or systems in which any of the following defects are inherent, or in which the hazardous conditions which they represent are likely to obtain, introduce especially dangerous features, which cannot be measured by any obtainable rate :

"1. Machines which have no automatic control over either the quantity or quality of the gas supplied.

"2. Systems in which it is possible to admit at one time more than one gallon of gasoline inside the building.

"3. Machines in which a flame is used to vaporize gasoline.

"4. Systems in which sheet metal piping is used to distribute gas.

"5. Machines or systems in which air is drawn into the open end of the service pipe, as in a Bunsen burner.

"6. Machines which require hand regulation as the number of burners in use is varied."