

# The Chronicle

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R. WILSON-SMITH,

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**The Russian Loan. Caution to Investors.** Efforts are being made to put the new Russian loan in a favourable light before investors. In reference to this the "London Economist" cautions investors who are liable to be influenced by the plausible statements appearing in some quarters, which, it is said, are evidently inspired by the Russian authorities.

"It is difficult to see why British investors should lend their money to the Government of the Tsar. Long before the war with Japan broke out these investors had very wisely been disposing of the Russian stocks that they had acquired, and holdings of Russian bonds in this country to-day are, happily, very small. What has happened that should induce those concerned to resort to a reversal of this wise policy? Russian Budgets have never told the real truth about the country, but it is notorious that Russia has been compelled for years to resort to borrowing in order to maintain her financial position, and so soon as borrowing facilities were curtailed it was found necessary to resort to a great increase in the paper circulation. Indeed, if the war had been continued much longer the Government would, no doubt, have been driven again to the desperate expedient of a forced currency, M. Witte himself, in discussing Russian power of further resistance, having pointed to the reserve of gold held against the note issue as an asset which could be used if the necessity arose. The great struggle in the Far East has absolutely impoverished the Russian Treasury, the internal condition of the country is appalling, and if the Tsar declined to assent to a war indemnity, one reason, no doubt, was that the Russian Government could not raise a loan for this purpose and at the same time obtain the money necessary to meet current obligations and requirements. Where in these circumstances is there any inducement for British investors to facilitate still further borrowing operations by Russia? It has been suggested that we ought to

participate in the loan, because by so doing we should promote more friendly relations with Russia. We are, of course, desirous to be on friendly terms with Russia as with other foreign countries, but it is too much to propose that we should be prepared to pay millions of money for the privilege of her friendship."

## **The Public and Fire Waste.**

The subject of "Fire Waste" is ably treated in a paper contributed by Mr. J. Allan Cook, general manager of the Scottish Union & National Insurance Company, Edinburgh, to the Transactions of the Insurance & Actuarial Society of Glasgow. He points out that each person should look to safety from fire as only second to safety from disease. His premises should be so constructed and ordered as to minimise the possibilities of an outbreak of fire in his own premises and the spread of it to a neighbour's. He regards municipal authorities, as a rule, neglectful of duty in regard to fire protection. The true relationship of an insurance company to the public is little understood, and Insurance Institutes can do great service by educating the City Fathers to a perception of the true state of things.

In their efforts to economise in fire protection City Councils are penny wise and pound foolish. When members of Municipal Councils in every city awake to the fact that every \$1,000 consumed by a fire is \$1,000 lost by the people of the city, then, and not until then, shall we find them waking up to their duties as the custodians of the citizens' welfare. But so long as a City Council is disposed to economise in the provision of fire protection, so long as they continue to saddle upon insurance companies as much as possible of the cost of inadequate protection, then so long will the public suffer from the supineness and indifference of City Councils in this regard.

The duty of extinguishing a fire which has broken out is one that is known and appreciated, but, in