

which it has other Canadian investments held at Head Office and Hartford, the United States branch of the company, which at close of 1904, had a market value of \$1,127,016.

The German-American commenced business in Canada on 7th December, 1904, since which date it has steadily progressed. The company has a paid-up capital of \$1,500,000, and at close of 1904 its total ledger assets were \$12,545,750. The new agents are thoroughly familiar with the business placed in their charge. Mr. Brewster representing the Scottish Union & National and Mr. C. G. Smith, the German-American, were some days in the city engaged in the business which resulted in the above appointments.

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A BANKER'S COMBINE evidently exists at Baltimore, where, recently the Commercial and Farmer's National Bank was fined \$1,000 for a breach of the exchange rule by charging less than the regular rate for collection of foreign items deposited by its customers. The bank declares that the charge was made in error and with no intention to break the rule. A fine of \$1,000 seems an enormous penalty for such an offence and the combine that can enforce such a fine must be exceedingly powerful.

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MONTREAL'S FIRE PROTECTION AND INSURANCE RATES.—No good object can be gained by the kind of talk indulged in at a recent meeting of the City Council, respecting a prosecution of the Canadian Underwriters' Association.

In the first place this Association is not a combine which comes under the criminal law and if we are not mistaken the City Council has already an opinion to this effect from the city's solicitors.

A Fire Underwriters' Association is absolutely essential to the business, and the proper adjustment of rates can only be done by the combined experience of the companies spread over a long term of years.

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DIFFERENCE BETWEEN FIRE INSURANCE RISKS AND COMMODITIES.—The hazard or risk written by an insurance company may or may not burn. Fixing a rate to cover a risk is not like charging a specified price for an article of which the cost of production is known, and the normal market price is defined and settled.

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IF NO OTHER REASON EXISTED than the necessity for some authority to enforce improvements in building construction and conditions to minimize fire hazard being carried out a fire underwriters' association would be demanded in the public interest. It is no use the City Council trying to throw dust in the eyes of citizens by threatening an action against the underwriters to draw public attention away from the urgent need of better fire

protection in this city. It is most urgently needed that adequate fire protective service be established in this city whose welfare and prosperity are hampered by defective fire protection.

The congested area in Montreal is not properly protected to-day, the water pressure is deficient, the fire fighting appliances require additions, and more men are needed on the fire brigade.

Let the aldermen find the means of placing the fire protection in a proper condition similar to what obtains in other large cities, then the rates question would settle itself.

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THE UNDERWRITERS' ASSOCIATION IS NO MONOPOLY.—Aldermen and others forget that there are numerous fire insurance companies which are not members of the Underwriters' Association. These are open for business and outside companies would be attracted here and new ones formed if there were prospects of a remunerative business.

Past experience proves that here and in Canada generally fire insurance has not been a profitable business. We would recommend the aldermen to study the official, government insurance reports, based on the sworn statements of the companies and verified by the superintendent of insurance. Were they to do this they would discover how unprofitable has been the fire insurance business for a lengthy term. These reports have been regularly published in THE CHRONICLE for a long series of years.

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REVENUE OF THE CITY OF MONTREAL.—The Montreal City Council claims that more revenue is required for improvements in connection with civic services and general administrative purposes.

It has been the custom of City Councils to obtain additional revenue for improvements, etc., by borrowing. The time has come when the aldermen should bring forward a plan for obtaining additional revenue without increasing the city's debt.

As most of our citizens know that the consolidated debt is fixed and cannot be increased until the taxable value of real estate at 15 per cent. warrants it. On the other hand and in order to make provision for above services it was agreed that an amount be borrowed each year equal to 10 per cent. on the increased value of property and for such additional loan a sinking fund be provided so as not to interfere with the consolidated debt. In addition to the ordinary revenue the City of Montreal has borrowed each year, on an average, \$300,000. But, as the revenue and the addition from loans is insufficient why do not the City Fathers ask for power to tax real estate to an extent of $\frac{1}{4}$ of 1 per cent. extra which would add \$400,000 to the revenue, and which ought to be sufficient under careful management.

Such a tax would, we believe, be generally ac-