



INSURANCE SOCIETY

"Still achieving, still pursuing.
Learn to labour and to wait."

AND FIREMEN'S REVIEW.

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The Office of
"INSURANCE SOCIETY"

IS NOW IN THE

EXCHANGE BANK BUILDINGS,

No. 102 ST. FRANCOIS XAVIER STREET, MONTREAL.

Cordially encouraging letters daily arrive noting the progress of INSURANCE SOCIETY giving and promising assistance. Some friends enclose the year's subscription as a substantial incentive, others subscribe their names, which, doubtless, are of cash value, though, by-the-way, the application of the proverb "*bis dat qui cito dat.*" will prove comfortable; others, again, bid us good speed, and regret that their present actual support is withheld by prior claims of other journals.

Whilst reading accounts of grand doings, large operations, sharp deeds and worthy retorts, does there never arise a sense of dissatisfaction with your own "limited" territory, and possibly with the "bucolic" temperament of your business associates; probably the "limited" and "bucolic" being not at all true, but made apparently so by the heated imagination, strained with the glowing accounts of "happier climes,"—the said happier climes also not being altogether and absolutely true.

By all and every means keep posted on outside matters, but consider, if one's own sphere of business be not of the first importance, and whether a practical study of the specialities of our own Dominion, will not be of the most practical utility; and, if this thought has ever arisen, "we want news of our own people and their doings, prosperous or otherwise, and we want a means of interchange of ideas in this our own particular field of labor,—to give our own views, to receive those of our neighbors, and to act on such suggestions as may prove feasible and beneficial, we would volunteer our pecuniary support and our literary help to such an institution."

Your own memories will speedily recall such thoughts and resolutions, which, if now remembered and acted on, will cause INSURANCE SOCIETY to grow and to flourish as you, the component parts thereof, may send in your quota of the two-fold assistance necessary to its success.

In continuation of announcements in our February and March issues, we invite essays on concisely written articles on the subject of

FIRE INSURANCE IN CANADA.

1. Why has it not been a source of profit to companies during the last twelve years?
2. What are the most practical reforms necessary to insure better results in the future?

From returns as made to the Dominion Government during the eleven years, 1869 to 1879 the facts appear that

\$32,806,156 was received in premiums, \$27,609,691 was paid in losses, and about \$9,840,000 for expenses, showing a net loss of \$4,643,535 in the operations for eleven years.

Were the returns of Provincial and Mutual Companies (who do not report to the Dominion Government) added, the results would probably be darker,—certainly not much brighter.

And it must be noted that in the above figures there is included no reckless business of wild-cat companies, as the large majority of the business is controlled by the most stable companies in the world, and in the few cases in which smaller companies succumbed to "conflagrations or other fatalities," the policy-holders were not sufferers to any extent, save in delayed payments.

Were the business in Canada taken apart from that in other countries, hardly a company could show a respectable "rest" or "reserve" fund, accumulated from successful underwriting in this Dominion, and it is declared that the country is too small, not enough recuperative energy, no honesty or fair-dealing, and hence, that "no company can ever make money in Canada."—With all due deference to the wisdom of those who express such opinions, we do not accept the statement as conclusive, or the opinions as well grounded. To every disease there must be a cure—and the impartial discussion of this matter, with practical propositions for the amelioration of the methods of doing business, may tend to inaugurate a more healthy state of affairs in Insurance Society in this Dominion of ours.

Once again look at the broad facts: glancing at Fire Companies licensed by Dominion Government alone, (to include all companies would only strengthen the point we wish to make). There are 30 companies who compose the trade or profession of Fire Underwriting in this country. They have put up large sums of money to indemnify those who are willing to trust to their protection against losses by fire—a total of \$90,250,000 in actual paid-up capital and assets, and render themselves liable for \$102,000,000 more, uncalled but subscribed capital, a total \$192,250,000 at risk; this immense sum, be it remembered, is mainly composed of the savings of many thousands of men laid up for their families' support.

With this magnificent stock-in-trade they carry on business, accept premiums, indemnify losers; in 11 years receive about \$33,000,000, and pay out about \$37,500,000, all the time being liable to incur heavier losses, through more sweeping conflagrations than have actually occurred—the total amount of risks in force on Dec 31st 1879, being \$407,357,985.

Meanwhile, the general public are, of course, getting Insurance at less than cost, it would appear—though in reality the community generally suffers far more than the companies—as cheap insurance engenders carelessness, erection of frail buildings, arson and fraud.