

THE FIRE LOSS IN JUNE.

The fire loss of the United States and Canada for the month of June, as compiled from the carefully kept records of the "Journal of Commerce and Commercial Bulletin," shows a total of \$14,684,350, or over \$4,000,000 more than the sum chargeable against the same month in the preceding year.

The following table shows the losses for the first six months of the years 1901, 1902 and 1903:

	1903.	1902.	1901.
January.....	\$13,166,350	\$15,032,800	\$16,574,950
February.....	16,090,800	21,010,500	13,992,000
March.....	9,907,650	12,056,000	15,036,250
April.....	13,549,300	13,894,600	11,352,800
May.....	16,366,800	14,866,000	22,380,150
June.....	14,684,350	10,245,350	9,590,000
Total.....	\$83,765,250	\$87,095,850	\$88,926,150

The total of the past half-year compared with the same period, and with the month of June in previous years, stands as follows:—

	1903.	1902.	1901.	1900.
	\$	\$	\$	\$
6 months	83,765,250	87,095,850	88,926,150	103,298,900
June.....	14,684,350	10,245,350	9,590,000	21,281,000
	1899.	1898.	1897.	1896.
	\$	\$	\$	\$
6 months	65,699,750	58,237,100	57,940,450	63,959,550
June.....	6,714,850	9,206,900	5,684,450	5,721,250
	1895.	1894.	Averages, 1891 to 1903.	
	\$	\$		\$
6 months.....	66,497,600	61,613,200	6 months	73,703,440
June... ..	9,223,000	8,282,300	June	10,633,450

The total for past half-year though \$3,330,600 less than for same period 1902; \$5,160,900 less than 1901; and \$19,532,650 below the first half of 1900, was over 17 millions in excess of any year from 1894 to 1900, and 11 millions greater than the average of the 9 preceding years.

THE CALEDONIAN INSURANCE COMPANY.

The fire insurance department of the Caledonian enjoyed an exceptionally favourable experience last year, the results having been better than for some ten or more years. Owing to the business in the United States having been continuously unsatisfactory the company discontinued operations in 13 States and curtailed its risks in 6 others. Owing to this pruning policy the premium income was \$270,485 less than in 1901, the amount being \$1,816,080. The reduction of business resulted in a much greater decrease in losses, showing that the pruning had been wisely carried out. The loss ratio in 1901 was 68 per cent. whereas in 1902 it was only 52.3 per cent. As the expense ratio was 36.3 per cent., the total outlay was 88.6, which left 11.4 per cent. of trading profit, a result that must be regarded as highly satisfactory. The Chairman stated that the loss ratio on the Home business was 57.25 per cent., which admits of a good margin of profit after allowing for expenses. On the United States, notwithstanding that early in the year the company lost

\$40,000 by conflagrations at Paterson, New Jersey, and Waterbury, the claim ratio comes out a trifle over 52 per cent. On the Canadian business the ratio is 39.14 per cent., and on the Australian business 38.50 per cent., so, to a large extent, the exceptionally favourable results of last year are attributable to the foreign business.

The outcome of the year's operations in the fire department enabled the directors to replace in the Guarantee Fund the \$75,000 taken therefrom in 1901, towards meeting the exceptionally heavy losses of that year. The sum of \$46,095 was applied to restoring the ratio of reserve for unexpired risks to 44 per cent. of the premiums, and, in addition to these appropriations, the sum of \$153,520 was carried to profit and loss. The total funds of the Caledonian at close of 1902 exceeded \$13,500,000, which shows a large increase over 1901.

The Canadian premiums last year were \$260,582 against \$245,705 in 1901; \$218,202, 1900; \$209,222, 1899; and \$171,777, 1898. Each year since 1892 shows an increase of premiums. The Canadian losses paid last year were \$101,992, as compared with \$215,475 in 1901, and \$281,437, 1900. The Caledonian is well represented here by Mr. Lansing Lewis, manager for Canada.

**THE COURSE OF CANADA'S IMPORT TRADE
WITH GREAT BRITAIN AND THE UNITED
STATES.**

Trade both inward and outward acts in a manner analogous to that of water. It runs along the lines of least resistance, that is, the easiest courses, and it gradually wears out for itself channels through which to flow most readily. After any country has been transacting a foreign trade for years the passage of such trade along certain lines becomes easier, more economical, in consequence of these channels, having as it were, been scooped out by the action of a constant flow of mercantile goods. One of the most difficult of problems is, how to change the direction of some section of a nation's foreign trade, so as to divert the stream into another channel. Illustrations might be given of the futility of tariffs, and mercantile treaties in changing the direction of streams of trade after years of usage. There is a more influential natural law at work in the distribution of products and supply of markets than any such artificial law as is expressed by fiscal regulations. During the Convention of Paris, 1793, it was a crime punishable by 18 years hard labour, to import any English goods into France, or even to wear a waistcoat in Paris that was made in England. But the stream of trade between France and England, though blocked for a while, soon forced its way along the old channels.

The table on another page in this issue is a remarkable exhibit of the course of the import trade