

perience. We doubt, however, whether any success achieved even by this means—at best only a moderate success—will be worth all the effort and energy that will be necessary to obtain it.

#### CANADIAN FIRE BUSINESS IN 1912.

##### Mr. W. B. Meikle's Survey of the Year—A Period Making for Caution—Western Developments—Fire Prevention Campaign.

Mr. W. B. Meikle, managing director of the Western Assurance Company, of Toronto, contributes to the New York Journal of Commerce, his usual interesting annual survey of the fire business of the Dominion. The year 1912 (observes Mr. Meikle) does not stand out for any remarkable occurrence in Canadian fire insurance matters. The business will probably result in what in former years would have been deemed a satisfactory percentage of loss to premiums, but in a new era of higher agency commissions and increased expenses generally the actual profit in underwriting will be a meagre one. Competition from new companies entering Canada has not made it easy for the old established companies to increase their business, notwithstanding the phenomenal development of the insurable property in most sections of the Dominion. The fires have been numerous, and many of them have caused heavy insurance losses, indeed, in several instances reaching to the degree of conflagration disasters and disturbing the equanimity of the underwriter taking chances in the congested blocks of the important cities. There have been also many fires which, but for good fortune in some instances and commendable service on the part of the brigade forces in other instances, would have reached the dimensions of conflagrations, and the underwriter who is cautious or timid (whichever term best expresses conservatism in our speculative business) can also say that nothing has occurred in the year to make him recast his line of policy. Each will probably close his account for the year with the feeling that if the expense item had not been increased the profit would have been fairly satisfactory, but, with the higher expense, he will have to set up a lower ratio for losses as his ideal for future years.

#### THE WESTERN PROVINCES.

The early months of the year (continues the writer), saw an important change in the Western field when the Western Canada Fire Underwriters' Association cut adrift from the parent Canadian Association and is now an entirely independent organization. The change was largely due to the difficulties experienced in conducting the affairs of both associations between centres so many miles apart. That the new body will have many difficult problems to solve is apparent from the rapidly changing conditions consequent upon the growth of the Western Provinces, and the next few years of this formative period will make heavy demands upon the skill and experience of the responsible officials. There are already signs that their duties will not be shirked, for, with the vigor so peculiarly the attribute of our Western citizens, the local association has recently grappled with a question which for some time past has been puzzling the minds of most underwriters of the continent, namely, that of subsidiary

annexes or underwriters' agencies. It is to be assumed the solution thus found fully meets the views of the Western managers and representatives, but it remains to be seen whether we have yet heard the last, even in that field, of this vexed question. British Columbia, too, has recently broken forth in loud complaint against the abuses growing out of this "Siamese" representation. With them, as in the case of the Winnipeg Board, the situation is the more acute owing to the existence of a single agency rule, of the principles of which the underwriters' agency is a direct infringement.

#### FIRE PREVENTION.

The insurance fraternity (Mr. Meikle proceeds) has for years been engaged in missionary work to improve the fire-fighting plants of the Dominion, in setting up a better standard of building regulations and in pressing for a fire marshal system or court of inquiry into the causes of fires where incendiarism, negligence or other suspicious circumstances make it in the public interest as much as in that of the insurance companies to have the facts investigated.

It is satisfactory to notice that the public is gradually becoming more enlightened on these matters, and that manufacturers' associations and other public bodies are now engaging in campaigns for a reduced fire waste. Such organizations can get better results than the fire companies from educational work of this kind. By pointing out the economic waste of the country's wealth owing to the excessive fire loss, the loss of human life and the danger entailed by fires in frame and other inferiorly constructed buildings, they may be doing no more than their own interests demand; still it is not pleasant work to tell unthinking people that selfish interests must not continue, and that it is both wasteful and wrong for them to imagine that the insurance companies can take care of the losses. Of course they do this to the extent of their liability and are ready to continue doing so, but the price charged will always depend on the heaviness of the burdens. If these are not lessened, the premiums charged will not be lessened.

#### INSURANCE COMPANIES AND MANUFACTURERS.

The companies have appreciated (Mr. Meikle says in conclusion), the kindly reference made by the Canadian Manufacturers' Association in its 1911 report when its chairman stated that "the insurance companies were giving full recognition in cases where improvements had been made." There still remains for some happy solution the important questions of unlicensed insurance and dealings with non-resident brokers, and it is to be hoped that the manufacturers will see that there is as much justice in the objections raised by the licensed companies to such irregular markets as there is in the manufacturers' objections to the entry into Canada of non-dutiable goods manufactured abroad, and that they will be ready to discuss these problems in fairness and harmony.

The matter of the application by the Canadian Fire Underwriters' Association for an investigation into the administration of the Montreal City Water Department is to be discussed by the City Council this (Friday) afternoon. The Controllers adhere to their attitude of hostility to the proposal.