

WANTS MUNICIPAL FIRE INSURANCE

City Engineer Doane, Halifax, Suggests Scheme for Nova Scotia.

A scheme for mutual municipal fire insurance is the suggestion of city engineer Doane, Halifax. While the dangers of municipal insurance have frequently been pointed out, the proposal has attracted attention.

A list of questions was sent by Mr. Doane to the municipal clerks to ascertain what sums are involved in the existing insurance system. Twenty-seven of the towns and six of the rural municipalities responded, and a statement of the statistics given, is appended.

Says Property is Good Risk.

Mr. Doane says:—"The larger risks are carried by several different insurance companies; in some cases it is divided up among a considerable number of companies. There are two reasons for this; one, because it is not advisable to carry too large a risk in a company which is also carrying insurance all around the property; the other, because insurance companies do not desire to carry too large a risk in one particular quarter. Municipal property is becoming one of the best risks for insurance: first, because the greater part of it is being constructed of fire-proof materials; and second, because it usually has better fire protection facilities than private property."

Suggests Appointment of Commission.

He suggests the appointment of a commission to handle the scheme. The trustees would be obliged to insure all public property covered against a maximum loss of, say, \$100,000, the premium to be paid out of the total premiums pooled. "The balance," continues Mr. Doane, "should be invested, say for 10 years, by which time the amount of the investment would reach about \$100,000, if there are no losses. According to the returns received, last year the total fire loss was five dollars.

"Any fire loss up to \$100,000 would be paid by the insurance companies; over \$100,000, which is very unlikely, would be paid out of the invested funds. After reaching \$100,000 or more, the fund could be trusted to carry the whole risk and it is unlikely that any further premium would be required from any municipality. Provision should be made, that in case of serious loss the municipalities might be required to resume payment of premiums until the fund was again self-sustaining. Provision should also be made for municipalities to pay a premium for new buildings, say for 10 years, after which no further premiums would be required except as suggested, in case of very serious loss.

"Municipalities entering the scheme after the beginning, should pay for the same number of years as in the case of buildings. The same principle should apply when any increase in the amount of insurance carried is asked for. After 10 years, or after the time at which the fund assumes the liability for loss, machinery would be required for determining the amount of losses. The investment of the funds should also be properly guarded."

Insurance in Nova Scotia.

Here are the figures collected:—

Annapolis.—Insurance \$12,450, on electric light plant, schools, town hall, watering cart; premium \$183.88; no fire loss in 1912; total assessment \$349,013.

Bridgetown.—Insurance \$9,500, on school, town hall and contents; premium \$95; no fire loss in 1912; total assessment \$384,815.

Bridgewater.—Insurance \$9,200, on power house, electric plant, fire hall, one dwelling, three schools; premium \$89.90; no fire loss in 1912; total assessment \$756,650.

Canso.—Insurance \$8,850, on court house, hospital, school; premium \$61.83; no fire loss in 1912; total assessment \$195,900.

Dartmouth.—Insurance \$49,600, on public buildings, schools, fire apparatus, furniture, horses, etc.; premium \$125.58; \$5 fire loss in 1912; total assessment \$3,000,000.

Digby.—Insurance \$9,500, on school, town hall, warehouse, fire apparatus; premium \$127.75; no fire loss in 1912; total assessment \$567,225.

Dominion.—Insurance \$3,000, on town hall, jail, school; premium \$12; no fire loss in 1912; total assessment \$518,000.

Glace Bay.—Insurance \$90,300, on schools, lighting plant, town hall, pumping plant, infectious hospital; premium \$906.15; no fire loss in 1912; total assessment \$4,043,000.

At Halifax and Other Centres.

Halifax.—Insurance \$433,800, on schools, public buildings, fire engine houses, infectious hospital, etc.; premium \$3,136; no fire loss in 1912; total assessment \$26,062,000.

Hantsport.—Insurance \$4,500, on schools, town hall, fire apparatus; premium \$30.75; no fire loss in 1912; total assessment \$203,925.

Inverness.—Insurance \$9,434, on schools, town hall, fire apparatus; premium \$63.26; small damage to school building; total assessment \$454,635.

Kentville.—Insurance \$9,400, on schools and town hall; premium \$77.36; no fire loss in 1912; total assessment \$585,200.

Lunenburg.—Insurance \$43,000, on schools and court house; premium 1 per cent. and 2 per cent.; no fire loss in 1912; total assessment about 75 per cent.

Parrsboro.—Insurance \$13,500, on schools, furniture, electric light plant, machinery, town hall, etc.; premium \$121.83; no fire loss in 1912.

Pictou.—Insurance \$72,500, on schools and other town buildings, etc.; premium \$265.76; no fire loss in 1912; total assessment \$1,112,500.

Port Hood.—Insurance \$7,500, on schools, boilers, two town buildings, etc.; premium \$40; no fire loss in 1912; total assessment \$158,000.

Shelburne.—Insurance \$15,000, on schools, engine house and fire apparatus, power houses, electric equipment; premium \$80; no fire loss in 1912; total assessment \$371,005.

Springhill.—Insurance \$40,500, on schools and town hall; premium \$486.25; no fire loss in 1912; total assessment \$1,000,000.

Stellarton.—Insurance \$25,500, on buildings and steam boiler; premium \$160; no fire loss in 1912; total assessment \$1,066,000.

Sydney and Sydney Mines.

Sydney.—Insurance \$148,500, on schools and public buildings; premium \$414.08; no fire loss in 1912; total assessment \$8,008,255.

Sydney Mines.—Insurance \$9,600, on schools and furniture; premium \$96; no fire loss in 1912; total assessment \$1,750,000.

Turro.—Insurance \$99,250, on schools and fixtures, fire stations, poor house, pumping station, infectious hospital, boiler, pumps, engines; premium \$946.08; no fire loss in 1912; total assessment \$4,500,000.

Trenton.—Insurance \$5,400, on school and town hall; premium \$36; no fire loss in 1912; total assessment \$623,000.

Wedgeport.—Total assessment \$127,000.

Windsor.—Insurance \$54,000, on civic buildings, schools, hospital and fire hall; premium \$247.33; no fire loss in 1912; total assessment \$1,400,000.

Yarmouth.—Insurance \$46,700, on schools, contents and fire station; premium \$375.08; no fire loss in 1912; total assessment \$3,690,800.

Amherst.—Insurance \$25,000, on municipal buildings and asylum; premium \$298; no fire loss in 1912; total assessment \$3,679,055.

Arichat.—Insurance \$14,000, on municipal buildings and asylum; premium \$136.80; no fire loss in 1912; total assessment \$850,645.

Barrington.—Insurance \$4,000, on court house, poor house and fixtures; premium \$26.66; no fire loss in 1912; total assessment \$603,110.

Chester.—Insurance \$1,100, on court house; premium \$4.50; no fire loss in 1912; two-third valuation on real and personal property.

Cape Breton.—Insurance \$115,000, on court house, jail, asylum, lock-ups; premium \$655.25; no fire loss in 1912; total valuation \$3,568,180.

Halifax.—Insurance \$93,000, on court house, county home and county jail; premium \$267.93; no fire loss in 1912; total assessment \$3,116,252.

Pictou.—Insurance \$40,000, on asylum, court houses, jail, lock-up, market house, etc.; premium \$150.70; no fire loss in 1912; total assessment \$2,000,000.

The total amount of insurance carried by the above-named municipalities is \$1,522,884; total annual premium \$9,717.62; total fire loss in 1912, \$5; total value for assessment, \$74,745,565.

Is a Dangerous Experiment.

The proposal for municipal fire insurance is made periodically. Only a few weeks ago, Regina made a similar suggestion. Luckily the civic authorities were sufficiently wise to reject the idea. A few days later part of the city's exhibition buildings were burned with losses that would have entirely obliterated the municipal fire insurance fund and left it in debt besides.

It is often forgotten, as *The Monetary Times* has previously pointed out, that the fire insurance premium is ever ready to meet the fire risk, present every minute, day and night. Fire may occur at any moment, the loss may be \$1 or it may be \$1,000,000. Whatever is the loss, the fire insurance companies will pay—if the insurance is placed with reputable companies. Civic fire insurance has been tried and has invariably proved a disastrous failure.