THE CAUSES OF FIRES.

Experience shows from time to time that there are some features of fire underwriting that require to be improved—out of existence. The subjoined letter, written by a conscientious agent to the head office of his company, is written in so plain a way as to carry conviction of the truth of what is therein stated. It comes, too, from a city which is said to have netted a loss to every fire insurance company doing business there for the past ten years, and which used to have a most unenviable reputation for incendiarism. Companies are learning the lesson, and are extremely likely, we should think, to teach it peremptorily to their agents, that easy settlement and prompt payment of excessive claims achieve an expensive sort of popularity for any office.

"Dear Sir,—Your query as to the fires here, had you waited a few days, would have been fore-answered. I have been surprised at some things that have come under my notice during the past two years, and will give you now a few facts and answers, or rather reasons for their prevalence.

"Of course there are a number of *bona fide* fires, fires which have been accidental and unintentional, and where just claims have been made. On the other hand, I have not the least doubt that numbers of the fires that take place might be avoided, as you no doubt will think after noting my further statements.

"I believe one cause of frequent fires to lie in the fact of some claims being settled too easily by insurance companies or their agents, rather than be known to reject or compromise a claim for fear of losing business. As an advertisement to get more business, money is paid over without regard to justice, truth, or value. Several cases have come to my notice, but one only will I instance, being in position to verify. You will no doubt remember a fire which occurred on King street, in a house owned and insured by one D——. This claim I refused to settle and a Toronto expert was sent. In this same house lived or boarded a lady who had one furnished room, small and poorly furnished. The fire did not reach her room and there was nothing to damage much by removal. She was within two days paid what I believe would have bought everything she had in the room three times over, and this with most of her stuff saved.

"Then, over-valuation is another cause. In fact here I am led to wonder that more fires do not occur from this cause. Poor people, especially, are apt to put a fictitious value on their goods, over-valuing even to themselves, believing they are worth more than they ever cost, even after years of wear and tear. I sold a row of four houses lately with a large lot for $2,500. The ground or land I should say was worth at least $900 to $1,000. They were insured in the "——" and the "——" for $2,500, fully the value of the houses and lands both. The assured was one of the kind above mentioned, who appeared to think the place worth more, although he knew he could sell at $2,500 and make a good profit.

"In arranging a loan for a Loan & Savings Company lately, I valued a farm for them. The buildings were log and part frame, in extremely poor condition, empty, and could not be valued at more than $300. In fact I believe they could be put up new for that sum or a little more. They were insured for $500 or $700, I forget which. I have come across several people who had twice as much insurance as value in furniture. If these parties get into trouble how easy it is to see how to make good a small debt, or get a *new* supply of goods throughout.

"Incendiaries have done something here, but not for three years, I believe, except as caused by above described personal interest in doing so, and these I believe to be small. What I say every company should have, which is doing a large business, is a special agent who should do nothing but inspect risks. It might be only once in three or four years that he could make his rounds, but I believe the clearing out would more than pay the company in losses saved, but the question arises, how many companies would run this risk of losing business and getting the name of being hard with the insured public?

"My chief points condensed are these: that the public get insurance too easy, and that payments of losses by some companies (or their agents) are made too easily in cases where there is room for doubt.

"——"

AN ASSESSMENT LIFE FAILURE.

Our readers are familiar enough with the disastrous record of failures of assessment insurance concerns in Pennsylvania and Ohio, for we have given it many a time and oft. But it may be that an instance even nearer home may have weight with some who are still unconvinced that such societies are not reliable as life offices. A prominent society of the kind in Detroit, the Union Mutual Life Association of Detroit, has succumbed to the inevitable, and wound up its affairs. The reason, as quaintly given by the *Indicator*, is that it couldn't "buck" against the arithmetic.

Ten years ago, namely, on November 1st, 1879, the society named commenced business. For the first few years its headquarters were at Battle Creek, Mich., but subsequently removed to Detroit. Its plans have contemplated the furnishing of plain life insurance on the assessment basis, without any speculative features and with an evident purpose to fulfil all its promises. "There is no evidence as shown in its past record or by its books that there has ever been anything but honesty in its management, and its failure is simply another striking illustration of the certain death of all assessment associations and of the immutability of the law of average."

A protest deserves to be entered against the adoption, by societies of the kind, of names corresponding so nearly to those of sound and long-established life offices as to be liable to mislead. So good a company as the Union Mutual Life of Maine might have been prejudiced by the existence of this defunct concern.

For some months it appears this Detroit association has been delaying payment of its claims, until now it has $55,000 outstanding liabilities for death losses, with only $12,536 in available assets with which to pay them. Therefore an examination of its affairs was made by the Insurance Commissioner, and Charles Austin, of Battle Creek, its vice-president, named as receiver. Says the *Indicator*, "The officers of the association give 'unparalleled competition' as the cause of failure. Doubtless this was a factor in the case, but the chief cause is to be found in the defection of members." At December 31, 1886, there were 2,557 certificates in force, and the net loss of members in 1887 was 169. The following year the net loss was 238, leaving 2,150 certificates in force December 31, 1888. The number has since dwindled to 1,700. With a death rate of 12 per 1,000 risks exposed in 1887 and 11.32 the following year, the members would not respond to the additional assessments necessary to accumulate an emergency fund, and the only thing left was to wind up.

NEW METHODS OF TANNING.

Novel methods of producing leather rapidly from hides have been plentiful enough in the last thirty or forty years. We have heard an experienced tanner say that he could number them by the score. Besides those that were periodically tried in the older countries, by studious scientists, there were clever Yankees who thought, a quarter century ago, that they had found out how to tan on short notice. There was a sharp man in St. John, fifteen years ago, who had a hopeful and attractive process for oak tannage. Then in Detroit a dozen years ago an ingenious and confident German thought he had a bonanza in a process which shortened, by the use of a secret chemical, the time necessary for thorough tanning from months to weeks, and he formed the National Leather Co. to prosecute it. That concern, however, paid one dividend and shortly afterward went into the limbo of the undemonstrated. None of these "short-cuts" appeared to answer. Their aim was to shorten the time taken in the tanning process, but experience always showed that time was essential to the process that should be effectual. It was not found possible to hasten the tanning of hides by any chemical or other scientific improvement, and the practice remained much the same as it was when the art was first discovered. The process usually pursued is to steep the green hides successively in pits containing tanning liquor of varying quality, weak at first, but gradually increasing in strength, this steeping process occupying on the whole from three to four months, and requiring quite a number of pits.

Electricity now steps in and threatens, it is said, to revolutionize the tanning industry. Electricity is doing wonders in these days, truth to tell, in lighting and heating, as a motor, and in the smelting of aluminum—if that term be admissible—and it may be premature to say that it will not succeed in rapid tanning. An invention made and applied by a Mr. Groth has been in use for some months in a tannery in England, according to the Boston *Herald*, and it deserves attention. It consists of a circular tank, within which is a framework of wood, on which the hides to be tanned are stretched. The tank is filled with tan liquor, which is kept warm, and the frame whereon the hides hang is made to revolve at a moderate speed to keep up the necessary agitation. A current of electricity is conducted to the tank, the two poles from the dynamo entering it from opposite sides