

PAPER PRICES AND FOREST FIRES.

Independent of other causes operating to increase the price of paper to Canadian publishers, the constant destruction of spruce and balsam forests by preventable fires has played a serious role. Without question, there is abundance of woods to meet all demands of paper mills, but abundance and accessibility are frequently two very different things. Transportation distances between the woods and the mills is a factor of first importance, as not a few unsuccessful Canadian and American paper mills have been forced to realise. Every additional mile a paper mill is obliged to travel for logs, the costs of the paper product will reflect an advance.

E. H. Backus, President of the Minnesota and Ontario Paper Co. at Port Frances, Ont., stated recently that the increasing inaccessibility of pulp limits from the mills is making paper dearer. Unlike small saw mills, the permanently located pulp mill cannot pack up its equipment and follow the retreating forest. Forest engineers are agreed, however, that with care in operating limits and thorough protection against fire, pulpwood forests can be perpetuated indefinitely; accessibility of supplies need be lessened very little.

Up to the present stage in Canada the lack of modern fire protection for which the Governments, as trustees of the timber resources, are chiefly responsible, has reduced the near-at-hand bodies of pulp wood far more than the actual cut of logs. The Northern Ontario fires of last summer are an illustration of this fact. In the 1200 square miles devastated were substantial quantities of paper making materials. In the same fire an Ontario paper company lost 400,000 cords of wood, ready piled in the mill yard. Quebec's 1916 fires also cleared out large quantities of spruce and balsam as well as white pine. The forest fire record in Ontario and Quebec during the past ten years accounts for vastly more forest wealth than has passed into lumber and pulp.

If the pulp areas at the mill door are allowed to disappear in flames, the longer drive or rail haul automatically increases the cost of manufacture. Without doubt, other causes than unheeded fires are at the root of the paper price advances in war time, but it remains true that since the first paper factory in Canada began to operate, the fire fiend has been laying his tax on the paper consumer.

CANADA LIFE'S ANNUITY BUSINESS.

In an appreciative note regarding the issue by the Canada Life of a new annuity prospectus in Great Britain, the London Review remarks that the annuity business of the Company has made great strides in recent years. The Canadian life companies have been in a specially fine position for giving the greatest possible return for the money invested and there is no question about the business continuing on the up-grade. The undoubted security offered by the Canada Life, remarks the Review in conclusion, is well known. Funds are actually earning an interest average of nearly $5\frac{3}{4}$ per cent. per annum, while the valuation of the Company's liabilities is carried out on a 3 per cent. basis for business written since 1900 and $3\frac{1}{2}$ per cent. on other business. The difference is a material one to the policyholders' and annuitants' advantage.

ARSON "A VERY SERIOUS CRIME."

To the Editor of The Chronicle:—

Sir—That was a good "old-fashioned judgment" of Chief Justice Maasdorp quoted in your last issue, and I agree with you it would be well if similar expressions were heard from the Canadian bench on occasion. But is the Canadian bench at fault?

Chief Justice Maasdorp, citing the doctrine of *uberimæ fides*, says: "When you made your application for insurance you were called upon to make a certain declaration in which you have to be very careful, and state the truth, the whole truth and nothing but the truth," from which it may be deduced that in South Africa the good old practice of exacting from an applicant for insurance a written application setting forth certain facts in relation to the risk which cannot otherwise be known to the insurer still prevails. Not so in Canada, where a written application is rapidly becoming the exception rather than the rule, so that the Judge is usually confronted with a plaintiff holding the policy of the defendant to whom no representations whatever, false or otherwise, were made by the plaintiff—virtually a promise to pay upon the happening of the event! What can the Judge do?

The fault lies with the companies.

OLD TIMER.

November 13, 1916.

SASKATCHEWAN MUNICIPAL HAIL INSURANCE.

Details of the loss of the Saskatchewan Municipal Hail Insurance Commission this year show that claims aggregate \$3,600,000 against a revenue of \$950,000. The total claims for this year are nearly six times as great as those of any one other year, and thirteen municipalities which paid into the funds during the entire period of their membership only \$80,000, have entered claims upon the fund for \$600,000. As nearly as can be indicated at the present time, it would appear that the claimants in the 127 municipalities which were under the scheme before this year and who alone will share in the surplus which was accumulated prior to this year will receive somewhere about 43 cents on the dollar, while the claimants in the 13 districts newly entered for 1916 will receive 26 per cent., unless some means is found whereby the municipalities under the Act can and will raise sufficient money to meet all indemnities in full. The amount of money required to accomplish this is in the neighborhood of \$2,100,000.

Discussion is now going on among those interested regarding the raising of these funds and the provision of an adequate reserve in the future.

NORTH AMERICAN LIFE.

November is "President's Month" for North American Life agents in honour of the newly-elected president, Mr. L. Goldman. For five months consecutively, new business received by the North American Life has amounted to over one million monthly, and to the end of October business received is ahead of that for the corresponding period last year by \$650,000.

In France, the continuance of a fire policy is usually binding on both the company and the insured for ten years, and it is probable that many accident policies are for terms of years.