

# The Chronicle

## Insurance & Finance.

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### Fire Engines to be Superseded.

Another advance has been made in the line of movements, to render apparatus for fire protection more effective.

At Philadelphia, pumping machinery has been installed, that is capable of throwing streams of water over the highest buildings. Pipes are laid throughout a district of one square mile in area, in connection with these is machinery by which water can be driven with a force and volume many times greater than those of any fire engine. If the descriptive reports of the new pumping machinery are to be relied upon, which have been published in Philadelphia journals, we are on the eve of a great advance in the art of suppressing fires.

### Municipal Fire Insurance.

A Committee of the London County Council has been studying the question of municipal insurance. The result of their enquiries and reflections is embodied in a Report which

is decidedly adverse to this scheme. The Committee finds that fire insurance business cannot be carried on without considerable expense. The Report reads:

"It appears to us that, to carry out such an undertaking on business lines, the Corporation, as the 'banker, receiver and distributor for the mutual insurers,' would need offices and a numerous staff, which would necessarily include a competent Fire Superintendent and Assessors and Surveyors of experience. In this connection, it may incidentally be mentioned, that the Corporation is not without experience in these matters, having as early as the years 1680-81 themselves issued fire insurance policies. The scheme, however, had but a brief existence, and the policies were cancelled within a year or two of their issue."

After detailing other objections the report thus winds up, as reported in "The Insurance Record:"

"The wider the field in which a fire insurance

company operates the greater the scope for the working of the laws of average, and it follows that no insurance scheme, confined to a class of business where the risk is abnormal, can be truly economical or satisfactory to the insured. The proposed municipal insurance scheme cannot participate in really remunerative fire insurance business such as is represented by residential and suburban property, and for this reason alone it is doubtful if the ordinary insurer would not get better value—not to mention more satisfactory security—by placing his insurance with an existing fire insurance company whose business is unrestricted in its operations. Adverting to the compulsory fire insurance of buildings which is in force in Hamburg and Berlin, although, as regards Berlin, we have been furnished with some data to enable us to gauge the success which has attended the scheme, comparison between the fire risk in those cities and in the City of London is necessarily difficult to draw. It is apparent that if suburbs and outlying properties are comprehended in the districts municipally insured by Hamburg and Berlin, their fire risk may be a well-distributed one, but even if the circumstances be parallel, it is doubtful if compulsory fire insurance would be generally acceptable in the City of London. With every sympathy for the petitioners in the unfortunate position in which they find themselves owing to the united action of the fire insurance companies, we cannot see our way to support their proposal or recommend it for the favourable consideration of the Corporation. Their scheme of municipal insurance does not appear to us practicable, or one that if adopted would be conducive to the best interests of the community within 'the one square mile.'

"The question of the expediency of embarking in municipal trading is one which certainly might arise in this connection; but to confine ourselves strictly to the references, we desire unanimously to express our opinion that it would be unwise for your Honourable Court to undertake the great responsibility which would be involved by the adoption of a scheme of municipal fire insurance for all buildings within the city area, and we ask that the reference to us on the subject may now be discharged."