

# The Commercial

WINNIPEG, MARCH 12, 1888.

## FIRE INSURANCE.

Notwithstanding the advance in rates, fire insurance has got to be rather an unprofitable business for the companies taking the risks. Returns show that whilst life insurance was a very profitable business in the United States last year, quite the opposite was true in the case of the fire companies. The life companies did a big business and made handsome profits above the forty to fifty per cent. margins paid to agents. On the other hand, the fire companies have taken risks at or less than average cost, besides paying the percentage to agents. The same remarks will apply to some extent to the insurance business in Canada. Life companies generally have done a very profitable business; but the fire companies have in many instances realized little if any profit from the past year's operations.

The natural outcome of this state of affairs must be to bring about further advances in fire insurance rates. Merchants who already look upon insurance rates as a heavy tax, would not relish further advances. The question, therefore, is: What can be done to lessen the possibilities of losses from fire? This is a matter which all or nearly all dealers are interested in. The fire companies cannot be expected to take business at unprofitable rates, and the greater the risk the higher must be the rate.

Now, there is no denying the statement that fire insurance greatly increases the risk from fires, or rather the number of fires. Fire insurance is therefore an advantage and a disadvantage at the same time. It is an advantage in that it provides the honest trader with a guarantee against the total loss of his property, in case of its destruction from fire. On the other hand the result of fire insurance being to increase the number of fires, the possibility of loss from fire is likewise increased. On this latter account some have even gone so far as to declare in favor of the abolition of all fire insurance; but such is manifestly out of the question. All that can be done is to endeavor to trace more closely the origin of fires. Nearly all are interested in furthering some move in this direction from a double object; first, to secure greater immunity

from fires, and second, to keep down insurance rates.

It is a matter of wonder, that considering the vast importance of this matter, some more effectual measures have not been taken to investigate the causes of fires. Fires are occurring every day, under very suspicious circumstances, and resulting in heavy losses, yet little attention is paid to the subject. Evidently what is required is some simple and inexpensive mode of investigating every fire, and passing a verdict as to its cause. In the United States there is a movement to provide something in the nature of a court of inquiry to deal with cases of fires, and legislation of this nature will probably be enacted by several States in the near future. Similar legislation could undoubtedly be enacted in Canada to advantage. The matter of investigating into the causes of fires, should not be left to the insurance companies, but should be conducted entirely separate from any action on the part of the companies. In fact, it might be well to restrict the companies as to the proportion of the value of properties for which they will insure and provide for the punishment of agents, who through carelessness or otherwise have given policies of over-insurance. There is no doubt but that over insurance leads to many fires and attempts to sell out to the insurance companies. In case of rapid depreciation in the value of properties, companies might arrange to have it in their power to reduce amount of policies, without reference to the time for which they were taken, in such instances of course allowing a rebate on the premium. The question is a difficult one to deal with, but it is one of such vast importance that it deserves attention. It is certain that if it were known a strict investigation would be held into the cause of every fire, there would be many fewer fires and much greater immunity from loss in this way.

## EARLY CLOSING.

A great deal has been heard in Winnipeg about early closing. Every once in while the clerks go about with petitions in favor of closing stores and certain business places at a stated hour. Sometimes such an arrangement is made, but it is rarely kept for any length of time. Petty jealousies crop up, and in a short time the arrangement falls through, various dealers accusing others of being the first to break the agreement. At one time

the early closing movement in Winnipeg amounted to quite an extensive agitation. It was even carried so far that clergymen preached sermons upon the subject. Of late, however, little reference has been made to the matter, and the movement seems to have died out. THE COMMERCIAL has always expressed itself thoroughly in favor of early closing of business places, as far as can be done in justice to the public. Long ago, however, it was pointed out in this journal, that the only effectual way to agitate the question was to look to legislation to secure the desired end. The regulation of labor in factories and workshops has been made a matter of legislation for many years back, and there would be nothing new in principle in regulating labor in stores. THE COMMERCIAL, some time ago, advised those agitating for shorter hours of labor in stores, to direct their efforts toward securing an act from the Provincial Legislature, with that object in view. In no other way can it be hoped that a satisfactory solution of the question will be arrived at. No doubt a large number of the leading merchants would be in favor of voluntary early closing, but so long as others refuse to acquiesce in such an arrangement, the shops will remain open until late hours. Thus one obstinate merchant has it in his power to thwart the wishes of a whole community. Legislative enactment would cover such cases and also do away with any little jealousies which one dealer might feel toward another in the matter.

So far, those interested in early closing in Winnipeg, have made no move toward obtaining legislation in their cause, but have only broken out with spasmodic agitations, which, though resulting in accomplishing little direct good, have no doubt served to educate the people in favor of the movement. If those in Winnipeg who have been agitating for early closing are afraid their cause does not come within the scope of legislation, they will be reassured by the bill now before the Ontario Legislature. This bill provides for the "regulation of the closing of stores and the hours of labor therein for children and young people." This act has been introduced by a member of the Government, and it will therefore undoubtedly be passed. It is really an adjunct to the Ontario Factories' Act, which provides for the regulation of labor in and other arrangement in connection with factories. The act applies to places where goods are exposed for sale, making