

CANADA'S FIRE WASTE

It is Far Too High—Insurance Companies Do Not Cancel the Loss—Phases of National Carelessness

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Ten thousand fires take place in Canada every year, \$25,000,000 and 250 human lives are swept annually as rubbish to the void before the flaming scourge of the fire fiend. The figures are not the ex parte testimony of some prophet of woe, but a statement of facts supported by the record of *The Monetary Times*. Despite their frequent repetition, public equanimity continues undisturbed. Politely interested we admit that something should be done to stay the waste, then calmly indifferent we dismiss all personal obligation in the matter.

I wonder if it ever occurs to us that it amounts to culpable negligence for a free and enlightened people to tolerate such a state of affairs in regard to fire loss, or that we have become as a nation the abettors of crime in the measure in which we have withheld from remedying the evil. In almost all other matters the public consciousness is alert, and the complacent optimism of indifference has given way to a strenuous fight against harmful conditions.

Why, were a crop-destroying drought, overwhelming floods, or an epidemic of almost any nature to sweep the country, only one-half as fatal or destructive of wealth as our annual fire loss, we should rise up in arms and invoke national intervention. Yet what is done in the case of the fire waste, which has become a corrosive and irreparable drain upon even our vast resources? We fold our hands in apathetic submission, and bestir ourselves only to damn the consequences.

In Comparison with Europe.

The epitome of recklessness in expenditure is supposed to be represented by the person who first used bills of large denomination to light cigars. He evidently employed such means to advertise the fact that he had money to burn and by all the rules of logic he must have been a Canadian. No other country in the world would tolerate the wanton extravagance of our loss by fire. In Europe they bemoan a loss of thirty-three cents per head of the population. In Canada we each contentedly contribute the sum of two dollars and ninety cents per annum.

But we are a people of waste, they are a people of thrift. We figure that the most important thing is to make a dollar, and they that it is of equal importance to save one. We regard fire as a misfortune, they look upon it as a crime. Here insurance is a gamble where, if we need ready money, the insurance company loses the bet. We spend our energies in attempting to extinguish fires, they are successful in preventing them.

Truly we are a singular people, self admittedly superior to the rest of the world, and so nonchalantly we go our way, throwing lighted matches into waste baskets, kindling our fires with gasoline, collecting the incendiary combinations of various rubbish in the handiest corners, running stove pipes through varnished wood partitions, hiring cheap men to string our electric wires, filling with combustible merchandise immense floor areas, pierced by shafts and wells, and labelling our jerry-built structures as fireproof buildings. Like Tennyson's brook, the stream of our carelessness would flow on for ever, were it not for the abrupt halt sometimes called by fate when some fool locates a gas leak by candle light and wipes out half a town.

Insurance Cannot Restore the Loss.

Neither as a people nor as individuals do we seem to realize that every fire is significant of a crime, the crime of ignorance by the man who does not know that certain conditions will burn his property, the crime of carelessness by the man who does not care whether his property burns or not, the crime of dishonesty by the man who wants to cash in on his property at the expense of the Canadian people.

We fail to realize that every dollar that goes up in smoke makes Canada just so much the poorer.

We are too prone to figure that the insurance companies cancel the fire loss. No greater economic error ever seized the popular imagination. Insurance merely indemnifies the loser by passing the hat around amongst the general public. Let me put this plainly.

Suppose that owing to an incendiary epidemic the insurance companies find it necessary to increase the rates, what is the result? The landlord to guard his interest on certain property, raises his tenant's rent. That tenant, being a grocer, finds the insurance rate upon his stock is also raised. Now the grocery man having suffered, up goes the price of flour and

sugar and all the commodities that are a necessity to cottage and mansion. Every loss occurring from Halifax to Vancouver touches the pocket of every man, woman and child in the nation, and is merged with the cost of everything we eat, and drink, and wear.

There is only one way in which the present deplorable conditions can be remedied and that is by changing the public attitude toward the fire waste, if needs be, by the strong arm of the law. We may insure from now to the crack of doom, we may install waterworks, and buy fire engines, and train firemen, and supply them with the most modern apparatus, but fire will continue destroying individual buildings, and contents, and lives, and sections of cities, at an ever-increasing rate and intensity just so long as our buildings are built as they are now with the same irresponsible people to occupy them. The only fire prevention I know is actual prevention, and the time to prevent fire is before it starts.

If our laws required buildings to be erected as nearly fire-proof as possible, and not only the construction but the care of the buildings was under the strict supervision of public officials, and every man was made responsible for the damage which might result from fire through his carelessness, and if every province had a fire marshal to investigate the cause of fires and prosecute offenders, it would save millions of dollars to our nation to say nothing of life and limb. Every citizen should be made to feel responsible for the fire hazard of his own community. He should realize that the parlor match, the trash heap, the oil-soaked rags, defective flues, and the storing of explosives mean not only damage to the property of the owner, but perhaps to the whole city. He must be taught that the question of fire prevention is of far greater importance than the question of fire control.

To Awaken the Public.

The natural anarchy of our free and untrammelled Canadian temperament does not readily respond to admonitions to correct its careless habits and recognize its public responsibilities, but the common impoverishment created by the fire waste has assumed such proportions that even the most heedless must soon face the situation. It takes the force of public opinion to accomplish any reform, and a pre-requisite to any successful agitation along the lines of fire loss reduction must be the education of the people. The average Canadian citizen readily admits that our fire waste is in the nature of a national disgrace, but he is entirely ignorant of the means by which it may be saved. The immediate task is to arouse and educate the public and this, in some small measure, the present series of articles will seek to accomplish.

Next week's article:—"What Fire Prevention Really Means."

DOMINION OF CANADA GUARANTEE AND ACCIDENT INSURANCE COMPANY

The financial statement of the Dominion of Canada Guarantee and Accident Insurance Company for the past year shows a surplus of \$289,768, as indicated by the following statement of liabilities and assets:—

Liabilities—Reserve premiums (Government standard), \$156,261.56; reserve for claims filed and unfilled, \$51,140.36; reserve for taxes, \$2,378.49; capital paid up, \$183,320.00; surplus over all liabilities, \$289,768.43; total, \$682,868.84.

Assets—Debentures, \$568,322.54; interest accrued, \$11,791.12; office furniture, less 10 per cent. off, \$4,734.45; cash in bank and office, \$21,268.27; outstanding premiums and other assets, \$76,752.46; total, \$682,868.84.

The company's surplus to policyholders is \$473,088. Its income in 1913 was \$511,338. The security to policyholders is \$741,470.35. The company has a Dominion Government deposit of \$201,260.56, and has paid claims exceeding \$1,900,000.

During 1913 the company paid under accident and sickness policies, 3,028 claims. Over 90 per cent. of these were paid within one day after receipt of proof, and over 95 per cent. within one week of receipt of proof. Promptitude such as this, together with a strong directorate and capable management, such as has the Dominion of Canada Guarantee and Accident Insurance Company, will bring good business to any insurance company. This company commenced business in 1877 and has established an enviable reputation.

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