

CALEDONIAN INSURANCE COMPANY.

The wisdom and even necessity of a policy of strong conservatism in the fire insurance business is exemplified in the case of the Caledonian Insurance Company. "The oldest Scottish insurance office," as the Caledonian is happily able to style itself, has for many years steadily pursued a conservative policy, building up its reserves on lines which make its financial foundations of the firmest character. Such being the case, the management can regard with equanimity the comparatively unfavorable results of last year. While they were disappointing in lack of profit, they do not in the slightest affect the equilibrium of the company. The position was well expressed by the Chairman at the recent annual meeting:—"The business of Fire Insurance," he said, "is essentially one subject to fluctuation in profit. In fixing rates a Fire Company endeavours to arrive at such figures as will produce, after payment of losses and expenses, a reasonable amount of profit, not in one year but on the average over a series of years; and in the conduct of the business the invariable result is that bad years succeed good ones, and *vice versa*. Our business is of the same sound character we have always transacted, and I have no doubt that in the future, as in the past, good years will again arrive and yield such profit as will enable us, not only to pay satisfactory dividends as hitherto, but again to carry substantial sums to reserve."

The substantial character of the position occupied by the Caledonian may be gauged from the fact that at December 31st last, the fire funds aggregated \$1,764,495, making with the balance on profit and loss account of \$518,125, a total of \$2,282,620 available for the protection of policyholders, an amount more than equal to last year's premium income, and this apart altogether from the paid-up and subscribed capital.

The net premiums last year were \$2,248,520, a slight reduction on those of 1913. After seven years of prosperity, there was a swing of the pendulum in losses which were 12½ per cent. higher than in 1913 and absorbed \$1,447,285. Expenses, taking \$840,830, were proportionally fractionally lower than in the previous year, giving satisfactory evidence that they are being kept well in hand.

In Canada, the Caledonian for the last four years has been under the management of Mr. John G. Borthwick, and substantial progress has been made by the Company in this field during that period. Last year there was a slight increase over 1913 in the net cash for Canadian premiums, which amounted to \$442,976, while net losses incurred were \$274,789.

It may be noted that forty members of the Caledonian's staff from the Head Office are now serving with the Colours, the Company following the patriotic course which has been generally adopted by the British insurance offices of keeping open their situations for them and paying full salaries while they are away.

While anxious to give the residents of the overseas dominions every opportunity of subscribing to the war loan, I hope they will not lose sight of the fact that they can do a greater service to the empire by lending their resources to their own dominion, and so reduce the calls made by those governments on the United Kingdom.—*Mr. McKenna, Chancellor of the Exchequer.*

REGINA'S FIRE INSPECTION.

Regina, Sask., has in operation a new fire inspection by-law, under which the fire department of the city is required to inspect all business premises at least four times a year and all other premises at least twice a year. Three sections of the by-law deal with very frequent causes of fire, and are as follows:

"Bonfires, etc.—No person shall kindle, maintain or assist in maintaining any bonfire or other exposed fire within the city unless he shall first have obtained a written permit from the chief, who shall give direction as to what measures are to be taken to safeguard property."

"Handling of rubbish.—No waste paper, excelsior, shavings, rubbish or other like inflammable material shall be left in any part of any business building for more than one day, except such material as may be stored within a fireproof room, provided with standard fire doors or within a fireproof receptacle, but all such material shall be destroyed, removed or placed within such fireproof receptacle at the close of each business day."

"Disposition of Hot Ashes.—No hot ashes shall be deposited in any receptacle other than one of non-combustible material with fireproof cover, and no such ashes shall be deposited within fifteen feet of any wooden building or any wooden structure whatsoever."

The fire chief reports that the citizens are taking kindly to the inspection work, and in many cases welcome the men who are able to give them advice on the prevention of fires.

THE JUNE FIRE LOSS.

The losses by fire in the United States and Canada during the month of June, as compiled from the records of the New York Journal of Commerce, aggregate \$10,893,950, as compared with \$11,388,450 in May and \$29,348,000 in June last year, when the Salem conflagration contributed \$13,000,000 of the total. The losses by fire for the first half of 1915 reach a total of \$93,391,000, against \$133,018,250 charged against the first six months of 1914. The following table gives a comparison of the losses by fire for the first six months of this year with those of 1914 and 1913, together with the monthly losses for the balance of 1914 and 1913:

	1913.	1914.	1915.
January	\$ 20,198,250	\$ 23,204,700	\$20,060,600
February	22,084,600	21,744,200	13,081,250
March	17,511,000	25,512,750	18,786,400
April	16,738,250	17,700,800	18,180,350
May	17,225,850	15,507,800	11,388,450
June	24,942,700	29,348,000	10,893,950
Total 6 months...	\$108,695,650	\$133,018,250	\$98,391,000
July	20,660,900	17,539,800	
August	21,180,700	11,765,650	
September	17,919,300	14,383,050	
October	14,932,750	14,004,700	
November	15,207,600	21,372,750	
December	16,126,450	23,507,150	
Total for year....	\$224,723,350	\$234,591,350	

The record for the first half of 1915 shows a normal fire loss, says the Journal of Commerce, and barring conflagrations before it closes the fire underwriters have a fair chance of making a modest profit on their 1915 operations. They have fared so badly for several years that this respite will be heartily welcomed.