

The business of fire insurance is one of the utmost publicity; the balance sheet of every company as well as other details of the business are published annually in public documents of wide circulation.

There is not now, nor has there ever been, anywhere, a combination of fire insurance companies that had other objects in view than the gathering together, for the common guidance of underwriters, of experience and statistics and other data, upon which adequate rates of premium could be based.

Without such combined experience as the foundation of insurance rating, the insurance business would be one of pure wager, and the people would suffer by being compelled to deal with unsafe companies.

The utmost profit from underwriting that is looked for in the fire insurance business does not exceed 3 per cent. to 5 per cent. on the premium aggregate—a margin so small that scarcely any other business in the land would be satisfied with it.

In 1901 17 stock companies, 12 mutuals and 1 Lloyds withdrew from business in the United States.

British Fire Losses.

The following figures show the premium income, loss and expense ratios, and trading surplus or deficit, of the whole of the British fire insurance companies. tariff and non-tariff, for the past ten years. They are taken from the Revenue Fire Insurance Charts published by the "Finance Chronicle":

Year.	Net		Commission and Expenses.		Surplus.	
	Premiums.	Losses.	%	%	£	%
1891-2	17,596,000	61.44	32.72		1,026,000	5.84
1892-3	19,194,000	66.58	32.42		191,000	1.00
1893-4	18,859,000	68.86	32.44		-236,000	-1.25
1894-5	19,212,000	57.00	32.86		1,946,000	10.14
1895-6	19,290,000	56.61	32.89		2,026,000	10.50
1896-7	18,884,000	56.10	34.06		1,860,000	9.84
1897-8	19,107,000	56.41	34.44		1,747,000	9.15
1898-9	19,138,000	59.72	34.87		1,045,000	5.41
1899-0	20,220,073	62.21	34.09		656,914	3.70
1900-1	20,590,495	60.66	34.20		1,180,448	5.74
	192,270,568	60.48	33.56		11,442,362	5.95

The "Searchlight" remarks on above: "A net trading account surplus of 5.95 per cent. cannot be called a large or unfair profit. As a matter of fact, however, the actual profit was not so great as this, for, with the premium income increasing during the period by three millions sterling, at least one million sterling has to be deducted from the surplus shown above to cover the additional unexpired liability involved in the increase of premium income. We should like to have a list of the rate-payers in Cripple-gate who are content to work for a similar profit on their turnover.

"The petitioners quote fire insurance profits as amounting on an average to 22 per cent. of the share capital. The paid-up capital of the whole of the fire offices, many of which transact life, accident and marine business, is £8,591,970. But we hardly imagine that business men, intrusted with the formation of a municipal insurance scheme, would call

interest on accumulated reserves—reserves which are necessary, and which the companies must have—a profit in the sense that it is to be taken into consideration in fixing present rates. And the trouble about municipal fire insurance schemes is that they will all have to start without any reserves whatever."

Canal Treaty.

As foreshadowed by THE CHRONICLE, the U. S. Senate has ratified the Hay Pauncefote Treaty by a rate of 72 to 6. A vote so nearly unanimous indicates the passage of the Bill for construction of the Nicaraguan Canal, which it will be wise to push to completion while times are prosperous, if they last long enough. It will take 8 years to construct the Canal. The new Treaty reads:

"The canal shall never be blockaded, nor shall any right of war be exercised, nor any act of hostility be committed within it." All adjuncts of the canal "in time of war as in time of peace shall enjoy complete immunity from attack or injury by belligerents."

Some of the leading American papers take a sane view of this matter; the "N. Y. Bulletin," for instance, says: "Great Britain in waiving rights which were obnoxious to the United States, she has waived the shadow to secure the substance." All the rabid pro-Boer papers are shouting that "Great Britain has had to back down," and "cringe," to the States, owing to the weakness caused by the Boers! It is pitiable to see the American Press so lacking in dignity and intelligence.

U. S. Population and Life Assurance.

The amount of life assurance per head of the population of twelve American States is given in the United States "Investor," the States selected being those which have largest amount of insurance in proportion to the population. The total outstanding life insurance and number of persons in the States according to the census of 1900 and the amount insurance per capita are show below:—

State.	In force.	Population.	Insur. per cap.
New York.....	\$1,342,903,736	7,268,009	\$184.77
Massachu'ts.....	480,961,808	2,805,346	171.46
Rhode Island.....	67,581,879	428,556	167.89
Dist. Col.....	43,788,218	278,713	158.51
Penna.....	836,034,510	6,301,365	132.68
Colorado.....	63,302,380	539,700	117.44
Montana.....	26,850,907	243,289	110.49
Vermont.....	37,543,035	343,641	109.45
Connecticut.....	98,749,330	908,355	107.75
Ohio.....	432,802,212	4,157,645	104.11
Illinois.....	491,599,232	4,821,550	101.97
Delaware.....	18,556,150	184,735	100.65

If we take 5 as the average per family the above figures show that the life assurance per family in above States ranges from \$503 to \$923. Considering that large numbers of policyholders are carrying life assurance for sums ranging \$5,000 to \$50,000 and upwards, the above averages seem to indicate there being a wide field for extending life assurance in those States.