

CANADA'S FIRE WASTE.

Canada's annual fire waste is \$2.73 for every man, woman, and child, and is larger than that of any other civilised country in the world, according to an exhaustive report by the Commission of Conservation on fire waste in Canada. This enormous waste, the Commission asserts, is sapping the economic vitality of the country, and the immediate adoption of compulsory fire-prevention measures is necessary. The investigation also revealed the fact that the expense of conducting fire insurance in Canada is unduly high, and that there are grave abuses inherent in the present agency system.

The Commission says that 70 per cent. of the fires in Canada are caused by carelessness, faulty building construction, arson and lack of fire prevention laws, such laws as exist being but poorly enforced. Canadian fire departments are declared the best in the world, but they are not preventing a steady growth of fire losses. In dealing with the remedy for present conditions, the Commission says that compulsory legislation, making individuals responsible for their own careless acts, is imperative.

"The root evil of the insurance business, and one of the greatest factors in the excessive fire waste in Canada, is undoubtedly the method of compensating agents solely on a commission basis," the report declares. The careless agent is paid equally well with the careful agent. This tends to over-insurance, carelessness in the use and care of property, and arson, all of which cause a heavier fire waste. The remedy for this, the Commission states, is a profit-sharing commission for agents whereby those who write good risks would be more highly remunerated than those who write bad ones.

CONSUMPTION OF ALCOHOL.

A paper, "Note on Mortality by Habits Representation," read by Percy H. Evans at the meeting in Montreal of the Actuarial Society of America, contained a table of the experience of the Northwestern Mutual Life, covering 286,392 policies issued 1885 to 1900, inclusive. During this period the policies contained not only a warranty but a so-called "temperance clause" providing that if the insured became habitually intemperate, or so far intemperate as to induce delirium tremens, the company might cancel the policy during the insured's lifetime. From December 1, 1889, to August 1, 1900, the restriction was limited to five years. This clause and the knowledge of competing agents as to the company's strictness, he said, doubtless explains the relatively large proportion (95 per cent.) classed as abstainer and moderate users.

Rate of Alcohol Consumption.

Mr. Evans asserted that there is a notion extant that as the rate of alcohol consumption increases there follows an increasing tendency exclusive of any conscious misrepresentation, to underestimate the amount. If so, he declared, the fact must be considered in interpreting statistics on

the subject since the farther we go from the abstainer class the greater is the element of misrepresentation and the less accurately do the classifications represent the facts. A relatively bad result in the group approximating the company's limit of allowable consumption does not necessarily prove that such limit is too high, but may indicate that the inevitable percentage of excessive drinkers accepted has been unequally distributed, to the detriment of the unsatisfactory class in question. "Excessive drinkers," he said, "rarely claim to be abstainers, hence, it is submitted, the higher mortality among temperate users may be due to an infusion of risks impaired by habits and not to the absolute effect of alcohol in definite quantities within the company's limit."

Difference is Important.

Referring to the fact that it is commonly assumed that the consumption of alcohol among those who use it at all tends to increase with age, Mr. Evans stated: "It would perhaps be more accurate to say that the individual rate of consumption is extremely variable. In this particular the use of alcohol differs from other consumption habits and the difference is important. Among those who are free users at the younger ages the individuals who become excessive drinkers find an offset in those who, with the maturity of their intelligence, materially reduce or eliminate their indulgence. On the other hand, free users observed in the middle ages possibly include a larger proportion of cases that graduate into the excessive class and a smaller proportion whose habits improve. The outstanding consideration is the instability of this habit in consequence of which a classification based on representations made at the time of application can tell us very little of the influence of a given alcohol consumption on longevity. The general reader must, therefore, be warned that nothing better than broad inferences concerning the effects of alcohol can be drawn from data based on original applications where the subsequent histories have not been traced and periodical reclassification made on some significant basis."

WESTERN AND BRITISH AMERICA INSURANCE COMPANIES SUBSCRIBE \$500,000.

The Western and British America Insurance Companies have subscribed half a million dollars (\$250,000 each) to the new Victory Loan. This makes a total of \$965,000 that has been taken in Victory Loans by these two oldest Canadian fire companies.

PERSONALS.

Mr. H. N. DeWitt, of Armstrong & DeWitt, the well-known insurance agency, Toronto, has returned from a trip to New York.

Mr. F. J. J. Stark, general manager of the Dominion Gresham Guarantee and Casualty Company, was a visitor in the insurance district of New York, last week.