

New Zealand—Insurance loss, £417,480, or 8s. 9½d. *per capita*; fire waste, £556,640, or 11s. 8½d. *per capita*. United States—Insurance loss, £20,500,000, or 5s. *per capita*; fire waste, £40,000,000, or 10s. *per capita*.

In an article published in *Everybody's Magazine* for January, 1909, Mr. S. H. Adams, dealing with the subject of the great fire waste in the United States, makes the following comparisons: "The *per capita* loss by flames in Italy is 12 cents [6d.] yearly; in Germany 49 cents [2s.]; in thirty of the largest European cities, 61 cents [2s. 7d.]; and in 250 American cities the *per capita* destruction averages \$3 10 cents." Of course, the purchasing-power of money is greater in Europe than it is in either America or New Zealand, and therefore the actual ratio of loss is not so great as it would appear from the figures quoted, but nevertheless the difference is so enormous as to be very startling. In an editorial note at the head of the article just quoted, *inter alia*, the editor writes: "We knew that our national fire bill was startling, but the facts and figures that Mr. Adams presents here shocked us. Remember, we cannot, as a nation, waste our substance and prosper." The application to New Zealand is obvious.

Various reasons may be given to account for the excessive fire waste, and also for the greater number of fires *per head* occurring in the Dominion, and in comparison with other countries two or three will be briefly mentioned for the purpose of showing that the prevailing state of things can be remedied.

Earthquakes.—Non-preventible, of course, but the fire danger arising from this source can be minimised by proper building-construction.

Faulty Building Construction.—This is a widely spread evil. Fires have taken place in our midst that should have been looked upon as valuable lessons, but very little good has resulted in that direction. A large block of buildings recently erected in one of our cities in place of those destroyed by fire is, as a conflagration risk, very little, if any, better than it was before—owing to unprotected windows in narrow rights-of-way, vulnerable roofs, &c. A striking illustration of false economy in these respects was shown during the progress of the fire that took place on Lambton Quay in October, 1906. Had the side-windows and roof of the then newly erected Bank of New South Wales been protected—and this could have been done for a comparatively small increase in the cost of erection—this fine building would most undoubtedly not have been destroyed.

Of late years there has been a large amount of land-speculation, with its natural outcome of the erection of buildings of a cheap and flimsy character. Especially is this so in the case of the smaller class of dwellinghouses, where the insides are lined with green timber that, after drying, leaves spaces between the boards up to a couple of inches wide; this timber is covered with scrim and paper that in a short time becomes dry as tinder, only requiring a spark to set it on fire, with the result that before any brigade can arrive on the scene the place is practically destroyed; indeed, so rapidly do the flames spread in buildings of this description that it is no uncommon occurrence in the daytime for the occupants to have barely time to escape, and were it not for the wise policy of the Government in having passed the Act compelling the provision of adequate means of escape in all buildings used for residential purposes, there would be a long list of those persons burnt to death. There are very many other faults under this heading, but the foregoing will serve as an indication.

Insurance in Relation to Fire Loss.—Another of the reasons for the large number of fires, and consequent excessive loss, obtaining in New Zealand is overinsurance on property. I have upon various occasions during past years made certain remarks in reference to this matter, stating that "Overinsurance may not be the cause of any large percentage of fires due to direct incendiarism, but it certainly induces to a carelessness that is the cause of fires." In using the word "overinsurance," I mean not only where the amount of insurance is actually higher than the value of the property, but also such cases in which the cover is at or very nearly at par with the value thereof. An insurance manager in this city had a letter published in one of our local papers a few weeks ago in which he states, "No one will surely believe that any large percentage of the fires which take place are accidental. My firm conviction is that 90 per cent. of the fires in New Zealand are either wilfully caused or are the result of carelessness which amounts to criminal negligence." I submit that the inference to be drawn from the above is that nearly 90 per cent. of the fires are caused for the purpose of obtaining the insurance, for it is not to be supposed that any one—save in some few cases such as those caused by a fire-raising monomaniac, for instance—would wilfully cause or be criminally negligent to the extent of causing a fire unless there was something solid to be gained thereby. In my opinion, the statement that 90 per cent. of the fires take place from the causes mentioned is an exaggeration; but that a large number of fires do take place as a result of carelessness, wilful or otherwise, is an indisputable fact. It is only in accordance with human nature that most persons would be less careful when fully covered, or perhaps a little more than just covered, by insurance than those who stand to lose all or a portion of the value of their property in the event of a fire taking place on their premises.

The fire waste in New Zealand is so excessive in proportion to its population, and the consequent drain upon the wealth of its community so serious, that I would strongly recommend, as a means to reduce in some measure at any rate the prevailing loss, that local governing bodies as a whole should promptly take into earnest consideration the framing for general adoption of building and other by-laws—suited, of course, to local conditions—having for their object the prevention of fire, also the more efficient equipment of fire brigades under their control. To the insurance companies I would recommend the more thorough inspection of risks before accepting proposals. In the past this work has been carried out in a very perfunctory manner; cases have been reported to me in which no inspection has ever been made. I would also recommend the observance of a stricter supervision over agency or subagency business. Only recently a deputation waited on the Premier of Victoria asking that fire-insurance agents should be licensed. A similar request was made to the English Chancellor of the Exchequer some little time ago, and, in commenting on this