There was undoubtedly a considerable increase during the year in replacement values, both of buildings and of goods, and a corresponding increase in the apparent fire loss was to have been expected, even if the number of fires had remained stationary. It is therefore evident that a considerable decrease has occurred not only in the average loss per fire, but in the actual wastage resulting from fires.

Fire-Brigade Efficiency.

While the reduced fire wastage for the year must be ascribed to a considerable extent, at any rate, to good fortune, particularly in respect of the losses in unprotected areas, there is ample evidence available not only from the returns supplied by insurance companies and fire brigades, but also from the inquiries into the handling of fires by the brigades made during inspection visits, that the improvements in equipment and general brigade efficiency have been largely responsible for the better fire-loss record of recent years.

This is illustrated by the returns for Fire Board areas, which show that, despite the fact that during the year 3,381 fires, or 64 per cent. of the outbreaks of fire, occurred in fire districts, and the property at risk represents probably an even higher percentage of the total, the actual fire losses in these areas were only 43 per cent. of the Dominion figures. It will be noted from the details given below that approximately 39 per cent. of the losses in fire districts were caused by six serious fires, and the investigations made showed that, except in the case of the wool-store at Napier, which was a wooden building and was alight practically from end to end when the brigade received the call, the losses represent a small proportion only of the property at risk in the fires, and the work carried out by all the brigades concerned evidenced a very high standard of efficiency.

In this connection it must also be noted that, with the more general supply to the fire service of salvage and smoke-protection equipment, a very considerable advance in fire-fighting technique is evident, even in the case of the small-town brigades. Not only is greater care taken in covering goods in the early stages of the fire to prevent damage by water, but there has been a considerable improvement in ventilation methods and a more intelligent use of water in the actual extinguishing-work.

Incendiarism.

Another factor tending to maintain the low-fire-loss position is the almost entire absence of incendiaristic fires of the insurance-fraud type. This has resulted partly from the economic conditions existing during recent years, but has also been largely affected by the publicity directed against this class of fire and the greater activity of the police in investigating all fires, particularly those of suspicious origin. The position has also been helped by the fact that with the improved Fire Brigade turnout it has been possible to determine the cause of a greater proportion of suspicious fires. During the year under review there were fifteen prosecutions for arson, and ten convictions were recorded, but it was only found necessary to hold one coronial inquiry as to the cause of fire. It should be noted that the tendency to incendiarism is less during a period of rising prices such as is at present being experienced, and the real test of the measures taken to prevent arson will not come until property values start to decline.

Fire Loss in Fire Districts.

It will be seen from Tables II and IV attached that the loss in fire districts during the year ending 31st March, 1937, was £199,592, and in areas protected by Fire Boards, £3,248, as compared with £181,296 and £2,940 respectively for the previous year. Six fires occurred in fire districts during the year in which the loss exceeded £5,000, details of which are as follows: Wool-store, Napier (5.50 a.m.), £30,565; Drapery store, Invercargill (4.59 p.m. Sunday), £16,070; Waterproofing factory, Wellington (5.31 a.m.), £8,876; Clothing-factory, Wellington (11.6 p.m.), £5,025; Clothing-factory, Christchurch (9.48 p.m.), £6,677; Printing-works, Dunedin (5.31 a.m.), £9,395. Despite the severe loss in these fires, which represents about 39 per cent. of the total loss in fire districts (as compared with 22 per cent. in serious fires last year), it will be seen from Table I attached that the average loss per fire attended by the brigades is only £242, as compared with £235 last year. The number of fires requiring brigade attendance increased from 765 last year to 812 during the year under review. The loss per head in fire districts for the year 1936 was 5s. 10d., as compared with 7s. 5d. for the remainder of the Dominion.

Future Development of Fire Brigade Administration.

In connection with the Government proposals for the amalgamation of local authorities alternative suggestions have been made by the local authorities and others concerned for the amalgamation of neighbouring Fire Boards, the formation of Fire Boards on a provincial basis, the absorption of the functions of the Fire Board by the local authority, and the retention of the existing system in its entirety. It will therefore probably be of some service to survey briefly the existing position.

The controlling legislation in New Zealand (Fire Brigades Act, 1926) is similar to that in operation in the Australian States, in that it provides for contribution by the insurance companies to the cost of fire-brigade operation. It differs from the Australian legislation in that the latter provides for control of all fire brigades in fire districts by a Board having State-wide powers, whereas in New Zealand it is necessary to set up an independent Fire Board in each local-authority district before any contributions can be obtained from the insurance companies. The proportion of the annual expenditure of the Boards in Australia contributed by the insurance companies is in some cases as low as one-third, and in New Zealand it varies with the population of the fire district, but for the current year averaged nearly 49 per cent.

In these reports in previous years the opinion has been expressed that the Australian system offers very definite advantages from the point of view of general organization, the saving of adminis-