THE OCEAN ACCIDENT AND GUARANTEE CORPORATION, LTD.

The process of pruning, to which allusion was made in the report for 1903, continued to be carried on last year, by which have been settled and cleared off the books an obnormal number of permanent liability claims in the Employer's Liability Department, one group alone having absorbed $522,019 (£104,403 19s. 8d.). The amount of compensation paid away during the year has thereby been considerably increased, but with the result that the amount required to be set aside for outstanding claims has been satisfactorily reduced.

Writing off a class of unprofitable business is a wise course to pursue, but, while it is going on it so far reduces the volume of business as to render comparisons of it with former years somewhat unfair and indeed misleading.

The premiums, etc., less reinsurance and bonus to assured amounted to $5,304,485, the interest, dividends and rents less provision for investments redeemable at par and for depreciation of leaseholds, $147,-995, transfer fees $155, these make an income of $5,452,635. The balance of revenue account brought from 1903 was $271,925 from which were deducted $179,135 transferred to investment reserve and suspense account, and balance of dividend for 1903, $61,-655, the balance left being $31,135. The provision for liability on unexpired risks brought from 1903 was $1,756,000. The revenue account for the year thus stands as follows, net balance from 1903, $31,135, a further amount from 1903 of $1,756,000, and receipts on income account $5,452,635, the total of these items being $7,239,770.

The payments for compensation and incidental expenses amounted to $3,360,810, less $2,125,000 for provision for claims outstanding 1903, the balance left being $1,235,810 to which is added $1,780,000 for provision for outstanding claims, December 31, 1904, the product being $3,015,810. Other items of outgo amounted to $2,122,065, both of which sums being deducted from the total revenue of $7,239,770 left a balance of $2,101,895.

The statement bears evidence of the pruning process having had favourable results. The net profits were not only sufficient to provide for the large dividend of 15 per cent., without any aid from the reserve fund as in several previous years, but there was a considerable sum left to be placed to the credit of the investment reserve and contingency account. The policy adopted by the directors of placing a sum aside, "to provide for any unexpected contingency without a disturbance of the permanent reserve," will be universally commended as an act of prudence and conservative foresight. The aggregate reserves of the Ocean Accident and Guarantee Corporation at the close of 1904, amounted to $5,263,454. The assets amount to $6,689,945.

Mr. Charles H. Neely, Canadian manager of the Corporation, has considerably improved the business on the books during the past year.

MUTUAL FIRE INSURANCE COMPANIES IN PROVINCE OF QUEBEC.

The 22nd report of Mr. A. O. Dostaler, the inspector of insurance companies for the Province of Quebec for 1904, covers the returns of the following mutual fire insurance companies:

The County of Beauharnois.
The County of Maskinongé.
The Equitable.
The Missisquoi and Rouville.
The La Provinciale.
The Rimouski, Temiscouata, and Kamouraska.
The Beurreries and Fromageries.
The Canada.
The City of Montreal.
The La Fonciere.
The Montmagny
The Richmond, Drummond and Yamaska.
The Stanstead and Sherbrooke.

Also the annual return of the Mount Royal Fire Insurance Company for year ending 31st December, 1904, and of La Sauvegarde Life Insurance Company, up to 29th February, 1904.

The following table gives the leading items of the several returns of mutual fire companies comprised in the report:

MUTUAL FIRE INSURANCE COMPANIES.

Province of Quebec, 1904.

COMPANY.	Assets.	Income.	Expenditure.	Policies issued in 1904.	Amount in force.	Number in force.	Losses incurred	Ratio of losses to income	Deposit Notes rec'd, 1904
County of Beauharnois	$48,353	$7,715	$7 608	$1,186,380	$3,501,575	2,557	$5,017	65%	$20,206
Canada	103,289	55,099	55,240	1,425,870	4,512,893	5,769	37,047	67%	26,979
County of Maskinongè	6,119	546	550	34,865	757,280	762	1,062	190%	348
Equitable	138,963	31.740	29,227	1,841,561	3,271,095	4,118	12,344	38%	50,876
La Fonciere	35,064	17,492	17,618	791,292	1,186,249	1,493	8,307	47%	23,739
Missisquoi and Rouville	103,610	22,434	14,655	1.218,666	4,646,822	4,531	7,180	32%	25,134
Montmagny	334,340	88,629	63 753	2,570,103	7,953,329	10,164	38,446	43%	122,131
City of Montreal	337,455	67,682	56,046	5,115,116	20,721,629	14,630	23,564	34%	13,501
La Provinciale	24,692	17,005	13,948	1,232.555	1 408,869	1,754	2,918	17%	13,919
Richmond, Drummond and Yamaska	87,415	56,176	51,110	2,432 311	3,277,614	4,856	33,856	60%	26,383
Rimouski, Temiscouata & Kamouraska	257,158	81,513	72,566	3.470,035	10,004,767	14,425	42,963	52%	99,799
Stanstead and Sherbrooke	535,373	59,897	39,824	2,571,743	7,986,246	7,703	20,228	33%	148,990
Beurreries and Fromagories	15,635	3,208	3,130	206,905	273,010	270	950	29%	16,380
Cents omitted	5	5	5	3	4		4		4
Totals	2,027,471	509,141	426,280	24,097,405	69,501,382	73,033	233,886	45.9	588,389