

CALEDONIAN INSURANCE COMPANY.

The one-hundred-and-eleventh annual report of the Caledonian Insurance Company contains little evidence of the period of prolonged strain through which "the oldest Scottish insurance office" has had to pass in common with all other British financial institutions. Thanks to a policy of consistent conservatism in the past, its financial foundations are such that the greatest financial upheavals can be serenely encountered, while a fully matured connection, combined with a high reputation won by over a century's honorable service to its policyholders ensures for it an adequate patronage.

The British fire companies generally report increased operations during 1915 and this experience was shared by the Caledonian, whose fire premiums at \$2,344,515 reveal an advance of \$95,995 upon those of the preceding year. Combined with this increase in premiums was a more favorable experience in regard to losses, which at \$1,352,615 were in actual amount nearly \$100,000 lower than in 1914 and in a proportion to premiums of 57.69 per cent. Commission, expenses and taxes at \$875,790 show only a very moderate increase over those of 1914. The reserve for unexpired risks having been increased by \$32,640, a surplus on the year's trading of \$142,095 is carried to the profit and loss account.

The Caledonian's resources available for the protection of its policyholders indicate an exceedingly strong position. In addition to the reserve for unexpired risks amounting to \$797,135, a conflagration reserve of \$1,000,000 is maintained which with the balance on profit and loss account of \$561,010, makes a total equal to the amount received last year in premiums, this apart altogether from the paid-up and subscribed capital. The total funds of the Company aggregate \$21,093,270.

While transacting in other fields life insurance and casualty insurance in its various departments, in Canada, the Caledonian confines itself to fire insurance only. Throughout the Dominion, which field it entered in 1883, the Caledonian is held in high esteem by the insuring public for the honourable character of its dealings. For the last five years, Mr. John G. Borthwick has been in charge of the Canadian affairs of the Company and under his guidance substantial progress has been made in this field. In 1915, the Caledonian received net cash for premiums in Canada, \$433,157 and incurred net losses of \$227,887, a proportion of 52.61 per cent.

As was to have been anticipated from a Scottish office, members of the staff have made a splendid response to the call to the Colours. It was reported at the recent annual meeting that 64 had joined His Majesty's forces, of who two unfortunately have lost their lives. The Board keeps their situations open to those who return and continues full salaries while they are away.

Lieutenant Eric Stanley Gooderham, who has been reported missing on the Flanders front, is a son of Mr. W. G. Gooderham, whose prominent association with banking, finance and insurance are well-known. In business circles, the hope is widely expressed that reassuring news of the young officer will shortly be received.

RE-INVESTMENT OF DIVIDENDS IN LIFE INSURANCE.

Some of the British life offices are turning to effective account the fact of the wide distribution of British war loans among people who have never before held Government securities and possibly for the first time, have lately enjoyed the satisfaction of receiving half-yearly payments of interest. One brochure dealing with this question discusses the results which would be secured by hoarding, investing and putting into life insurance the annual returns received from the British 4½ per cent. war stock. Assuming the net half-yearly return, after deduction of income tax, from £500 stock as £9 17s., it is pointed out that by hoarding these returns an investor at the end of 20 years would have a capital of £894. By investing his interest, he might achieve in the same period a capital of £1,000. By using the interest payments to purchase a 20-year with-profit endowment policy, a capital of £1,100 could be achieved at the end of the period. Under limited-payment whole-life plans, a capital of £1,500 could be obtained at the close of the 20 years.

In this, there seems a hint to the Canadian life companies and agents. A good many folk who have never held bonds before are how holders in varying amounts from \$100 upwards of the Dominion War Loan. It would be an easy matter for an agent or head office to work out what insurance, to mature about the same date as the War Loan in 1935, given amounts of half-yearly or annual interest on the war loan would purchase. Those figures obtained, it seems likely that very attractive proposals could be put before those who have lately become creditors of Canada.

AN EVENTFUL WEEK.

It would be rash to anticipate that the last seven days will hold for any length of time a unique position in splendid and sorrowful associations. But to Canadians this week has been inevitably one of peculiar significance. Not only have we shared with the mother country and the other British Dominions beyond the seas and with our brave Allies, in the glory of the men of the British fleet and in the poignant sorrow caused by the soldier's death of Lord Kitchener, but we have had our own pride and grief resulting from the heavy fighting in which the Canadians have been engaged at Sanctuary Wood.

There is a privilege in living in these great and terrible days; let us be worthy of the privilege. In each event of the past week—in the gallantry and daring of British sailors, in the close of a life of magnificent service for England and the Empire, and in the heroism of Canadians at Ypres—there is inspiration. In courage, steadfastness, unselfishness and silence, let us "carry on"—the more firmly, determinedly and unitedly because of those who have gone before.

The Bank of Montreal announces the opening of temporary branches at the principal military camps throughout Canada, including Valcartier, Que., Barriefield, Ont., Petawawa, Ont., and Camp Hughes, Man.