

referred to in last week's CHRONICLE, do not indicate the return of prosperity to this important industry. The inquiry for iron and steel goods is said to be very poor and some observers are looking for a pronounced drop in steel prices before long.

Call loans in Canada are unchanged at 5 to 5½ per cent. The merger promoter has resumed activity in the Dominion. The consolidation of the silk companies to be known as the "Belding, Paul and Corticelli Silk Company, Limited," involves an issue of \$400,000 cumulative preferred stock for public subscription. And the newspapers state that three or four other industrial mergers are to be expected. It is to be hoped that this business of merging industrial concerns will not be carried too far. The CHRONICLE has already pointed out the objections to a policy of over-indulgence in this kind of financing. One thing we did not mention is the effect which the mergers have in increasing the agitation for tariff changes. During the recent discussion of tariff matters a great deal was said about the various mergers and the monopolies that had been created in several lines of industry. It is the CHRONICLE'S opinion that every new industrial merger brought to pass in Canada, in which a monopoly or nearly a monopoly is effected, serves to weaken the system of tariff protection. And it is well that those who take an active part in bringing these consolidations to pass should understand that in doing so they are weakening the foundations of the tariff wall—which perhaps enables them, or at any rate helps them, to earn good profits.

PHOENIX ASSURANCE COMPANY, LIMITED, OF LONDON.

Among the great British insurance offices, the Phoenix Assurance Company, Ltd., of London, has particularly strong associations with Canada. Started in 1782, the Phoenix was the first British fire company to establish itself in the Dominion, its Canadian office having been opened in 1804, while it had been doing business with Canada direct for years previously. Then, and for many years subsequently, a fire office, pure and simple, its always careful and conservative management has moved with the times. By judicious absorptions of other high-class offices, and by the opening up of new branches of business, the Phoenix has, in recent years, moved into the front rank of those great British offices, which transact fire, life, accident and other business. The figures of the balance sheet of 1910 are witness that the expansion has not been accompanied by any weakening of the financial position; on the contrary the progress is of the solid kind whose concomitant is an adequate financial equipment for every probable emergency. To Mr. G. H. Ryan, the distinguished general manager, who has just had the honor of being elected by his confrères as President of the Institute of Actuaries of Great Britain, and to every member of the staff, the position of the Phoenix should be, as it doubtless is, a source of pride and satisfaction.

Taking first the fire business, with which the Company began its career, the premiums received during 1910, after deduction of re-insurances, reached \$7,050,000, and it may be noted that for 21 years in succession the fire premiums have not been below \$5,000,000. The 1910 figures represent an increase of nearly \$120,000 upon the net premium income of 1909. The Company was again favored in its loss ratio, the losses chargeable being \$3,505,645, a ratio to the premium income of 49.7 p.c. This is more than a full point below the favorable showing of 50.8 p.c. in 1909, and constitutes the fourth favorable showing made by the Phoenix since 1900, when the San Francisco disaster entailed a loss of over \$3,000,000—a loss that was promptly paid. Expenses and commission during 1910 together reached \$2,702,615 or 38.3 p.c. of the premiums, a slight increase upon 1909, when the ratio to premiums was 37.6 p.c. The result of the year's operations of the fire department is a profit of \$842,145, which, with interest receipts of \$208,360 makes a total of \$1,110,505 to be carried to profit and loss.

It is perhaps, however, in its life department that the Company made its most notable progress during 1910. The present accounts embody the business of the recently acquired Law Life Office, and, accordingly, the figures are much larger than in the report for 1909. Net new insurances were \$6,756,840, and net new premium income, \$284,350. The net new insurances in 1909 were only just over \$4,000,000. Claims were within the expectation. Death claims absorbed \$3,005,360, and a further sum of \$504,590 was paid in respect of endowment assurances matured. The total income of the life department during 1910 was \$5,813,325, the outgoings, with the ratio of management expenses and commissions to premium income less than 13.2 p.c., being \$5,145,290.

But of greater interest to policyholders are the figures of the quinquennial valuation, which represent results so satisfactory that they cannot but add to the popularity of the Phoenix as a life office. Conducted on the same stringent basis as on the last occasion, viz., the Ontario table for assurances and the Ontario table for annuities, at 3 p.c. interest by the net premium method, the valuation has revealed in the participating fund the divisible surplus of \$837,375, which belongs to the policyholders. The directors have declared a reversionary bonus addition to participating policies with full bonus rights in force at December 31 last, of \$17 per \$1,000 assured for each complete year's premium paid in respect of the quinquennium. Canadian policyholders in the Phoenix who effected life policies when the Company commenced writing that class of business in Canada at the latter end of last year have certainly reason to congratulate themselves.

To sum up the results achieved in its different departments by the Phoenix during 1910. The operations of the year resulted in an amount standing to the credit of profit and loss of \$2,035,225. From this has been set aside \$625,000 as an addition to the Fire general reserve, increasing that