

ROYAL INSURANCE COMPANY: FIRE AND LIFE DEPARTMENTS.

It is not merely that it is one of the largest fire offices in the world which gives such prominence to the Royal Insurance Company. Strength rather than growth is its all-important characteristic. Even the most serious conflagration loss that has ever fallen to the lot of fire companies proved to be little more than an incident to the Royal—though bringing a decided check to the progress of not a few other offices in the United Kingdom. As was the case after the Chicago and Boston conflagrations of a past generation, so it is proving to be since the San Francisco disaster—that an increased era of prosperous growth is opening up to those companies which, like the Royal, have been seen to emerge from San Francisco's testing in "commanding and heroic proportions." A tangible proof of this is found in the Royal's increase of \$1,886,000 in fire premiums during 1906.

The year's fire losses of the company, including \$6,254,270 due to the San Francisco conflagration, amounted to \$13,506,625—resulting in a net underwriting loss of \$2,064,095. While this sum in itself seems a large one, the company's resources were such that, comparatively, the effect was scarcely perceptible—the fire and reserve funds remaining untouched, since the amount to credit of profit and loss account was more than amply sufficient to take up the year's extraordinary strain. Indeed, the combined result of the two years 1905 and 1906 was an underwriting balance on the right side of \$942,950.

The final result of the year upon the total resources of the company was as follows—compared with the 1905 showing:

	1905	1906
Capital paid up.....	\$ 1,959,435	\$ 1,959,435
Life funds.....	45,679,800	46,868,175
Superannuation funds.....	400,330	422,989
Fire fund.....	\$7,000,000	\$7,000,000
Reserve.....	8,000,000	8,000,000
Balance profit and loss.....	5,976,370	3,313,445
	20,976,370	18,313,445
	\$69,015,935	\$67,564,935

These figures make plain the fact that conflagrations of the most serious extent do not retard the real progress of the Royal, and for this there is good reason: the consistent course of the company in strengthening resources during years of plenty. That there is to be no departure from this prudent course was promised in the words of the company's chairman, Mr. William Watson, at the recent annual meeting of shareholders in Liverpool, when he said:

"I would again call your attention—not only in the interests of shareholders, but as a duty we owe to our clients—to the wisdom, and indeed the necessity, of being prudent in strengthening our reserves when opportunity offers. Our business is a magnificent one and I venture to say a deservedly increasing one, and I hold that it is to be conserved and further increased by giving our clients the best of security."

In Canada as elsewhere the Royal takes a place in the forefront, and under the capable supervision of Manager Wm. Mackay and Assistant Manager

J. H. Labelle its fire business is increasing steadily with the Dominion's industrial and commercial expansion.

The company's life insurance business during the year proved eminently satisfactory, and the Royal well maintained its high position among conservatively managed life offices. The new sums assured during 1906 amounted to \$6,737,660 as compared with \$6,680,050 in 1905. It will be remembered that a valuation of the life business was made as at December 31, 1904, on the basis of the Om and Om (5) Tables with 3 p.c. interest. The surplus then brought out was \$4,210,515 of which the large amount of \$3,314,605 was apportioned to policy-holders, a bonus of 1½ p.c. being declared on all policies entitled to participate.

Of special interest in Canada is the announcement that the company's life department is to enter upon a more extensive development of its business throughout the Dominion. Mr. Arch. R. Howell, who is widely and most favourably known as the company's Life Superintendent for Canada, left Montreal this week for Winnipeg and Calgary, for the purpose of making arrangements in connection with the establishment of new branches with headquarters at those important centres of the expanding West. Also, under the new plan of business extension, a sub-inspector of the life department has been appointed at Toronto, in the person of Mr. W. E. L. Coleman, who has been a valued worker with the company for a number of years. It is intended to appoint another sub-inspector at London, Ont. Mr. Howell reports that applications for new business during the first half of 1907 show a very large increase over the applications for the corresponding period of 1906.

GROSS RAILWAY EARNINGS for the first three weeks of June, according to Dun's Review are \$23,715,000 for the railways as yet reported—an increase of 13.0 p.c. over the corresponding showing of last year. For May the classified total is as follows:

May.	1907.	Gain.	P.c.
U. S. roads	\$145,831,803	\$21,469,121	17.3
Canadian	6,889,000	1,344,000	24.2
Mexican	2,344,311	325,081	16.7
Total	\$153,065,114	\$23,148,202	17.5

THE MINERS' STRIKE AT COBALT resulted in an almost complete tie-up in operations at the beginning of this week. The mine owners expressed the belief that many of the men would work if they dared, and for that reason they requested the Ontario Government to provide special protection to enable the mines to be kept running. The Minister of Labour at Ottawa, made prompt arrangements to send Mr. F. A. Ackland, the secretary of the Department of Labour, to Cobalt to explain to the 2,000 striking miners that they are subject to the provisions of the Labour Disputes Investigation Act, passed last session.

THE STOCK OF THE INTERNATIONAL COAL & COKE COMPANY was listed on the Montreal Exchange on Saturday last.