

public will justify any real reforms needed in accident insurance, and, we believe, are willing to pay a good liberal price for the reformed article; but when bought they want insurance against the numerous casualties to which they are exposed in the performance of their legitimate duties, under a contract freed from ambiguity and plain enough to be understood without the interpretation of the courts. The letter of many accident policies as issued to day, if strictly interpreted, excludes the insured from indemnity for a good many happenings, which, so far as he is concerned, are purely accidental, and against which he confidently supposes he is fully protected, as he certainly ought to be. Let us have reform by all means. Reform, however, means progression, not retrogression.

A "GOVERNOR", BUT WHO IS MANAGER?

We most cheerfully give place to the following communication with its charitable suggestions:—

Editor INSURANCE AND FINANCE CHRONICLE:—

I read with considerable interest your review in a recent issue of the operations of the British America Assurance Company since 1880, when its net surplus was admitted by the Superintendent of Insurance at Ottawa to be \$215,145. You allude to the fact that in 1889 the surplus per Government standard was only \$48,070.15, and you argue from this that the "Governor," and he only, is responsible for this state of affairs.

One is tempted to ask politely, before admitting this, whether you are really familiar with the manner in which the business of a large fire insurance office is conducted. Do you suppose for a moment that Mr. Morison passes personally upon every application for insurance made to this company, or that every matter, large or small, comes within his ken? It is not altogether improbable that his chief officers may be somewhat to blame for the excessive loss ratio, and that some of these gentlemen may have been selected (?), not so much on account of their fitness and ability as of the influence they exert through some directors, whose wishes must be respected, and that Mr. Morison as one of seven directors has not had a great deal to say in the matter.

The officer next in importance to himself, in a titular sense, is the assistant-secretary. This gentleman was for many years employed as an accountant in the office, and has therefore little practical knowledge of the insurance business. Is it reasonable to suppose that Mr. Morison voluntarily nominated this gentleman for such an important post? I hardly think so. The secretaryship, I believe, is still vacant. It would therefore seem that from economical or other motives the directors have not seen fit to give Mr. Morison such expert assistance as he might reasonably demand, and I think in view of this, if you have the welfare of this institution really at heart, you might, with considerable profit to the shareholders, give the directors a few practical hints along this line.

Fair play, Mr. Editor, if you please; and, hard as it may appear, try to put yourself in Mr. Morison's place, and then read the article "British America Assurance Co.," and tell us what you think of it.

X. Y. Z.

It is very creditable no doubt to the kindly feelings of our correspondent "X. Y. Z." to suggest an apology for the management of the affairs of the British America by its "governor." Most men, however, in his position would not be specially grateful for this pleading of the "baby act" in his behalf. If there is any one thing for which that gentleman is distinguished, it is an anxiety to have it understood that he is, practically, the company. In this assumption we believe he is

correct. It is a somewhat novel and certainly a most lame excuse to urge in behalf of the general manager of an insurance company, who has had undisputed control for ten years, that the choice of his chief assistants is denied him by the directorate. If John Morison is not responsible for the management of the affairs of the British America, who is? The general in command is justly held accountable for his army, and the acts of his selected subordinates are his own. The CHRONICLE has not, as our correspondent implies, found it necessary to "suppose for a moment that Mr. Morison passes personally upon every application for insurance made to this company." We are tolerably "familiar with the manner in which the business of a large fire insurance office is conducted," and that familiarity enables us to know, that whenever a general manager, worthy the name, finds himself handicapped by the appointment of subordinates or associates, for whose blundering or incompetence he is held responsible by the public, he promptly resigns. Either our correspondent is mistaken, or the reputed "governor" of the British America must be sadly deficient in the manly element of self respect. Meantime, it is the fairest kind of "fair play" to hold any manager responsible for results under his administration until he repudiates them.

THE SUN LIFE ASSURANCE COMPANY.

The annual statement of this progressive Canadian company for 1890, as will be seen by the detailed report on another page, does not disappoint the expectations of its many friends and patrons. It records results which indicate capable management, the general feature of increase exhibited being most marked where increase is of the most importance. It is well known that the business of the company has been augmented during the year by the taking over of the life branch of the Citizens insurance company to the extent of 1,372 policies assuring \$1,807,800; but aside from this reinforcement, the new business of the Sun shows an increase over the increased business of the preceding year.

The total life assurance written was \$4,046,980 under 2,689 policies; and the amount in force at the close of the year, including the accessions from the Citizens', \$16,755,356, under 11,266 policies, an increase for the year of nearly three and a half millions, under 2,315 policies. The net premium income amounted to \$573,843, exclusive of that from the Citizens', or in all, in the life branch \$761,749, an increase over that of 1889 of \$310,217, of which \$187,906 came from the Citizens'. Adding accident premiums (\$23,995) and interest receipts (\$103,334), and the total income foots up \$889,079, against \$563,141 for the previous year—a gain of \$325,938, or, deducting receipts from the Citizens', a gain of \$138,032, though the disbursement account shows an increase of only \$25,923. The outcome of the year's transactions was a total excess of income over disbursements of \$558,719. The increase in assets was on a liberal scale, being \$677,691, and making the total \$2,473,514. As the liabilities, exclusive of capi-