

The business of Lloyd's is conducted by a committee of twelve members, one of whom, generally a leading merchant and a member of the British Parliament, is chosen as the chief. The working staff is headed by a secretary, who is an admiral of the British navy, and is otherwise composed of a large number of assistant secretaries, clerks and waiters, the latter title being given to the messengers in remembrance of Lloyd's coffee house. The revenue of the association consists of the subscriptions of the members (\$125 to \$250 each per annum), by the sale of the news to the English newspapers and the subscriptions to the *List*, which has a large circulation in all parts of the world.

### FIRES IN AUSTRALIA AND CANADA.

The *Australasian Banking and Insurance Record*—one of the best of financial and insurance reviews, by the way—prints regularly a monthly list of fires happening in the Australasian colonies. From its record for the first four months of the present year we find that fires have occurred there as follows :

January.....	235
February.....	182
March.....	234
April.....	173

There is something interesting in comparing this record of fires with that of Canada for the same period; for, although in opposite hemispheres, both countries are about the same in area. In Canada during the same time the record is as follows, the figures being from *The Chronicle Fire Tables*:

January.....	116
February.....	117
March.....	124
April.....	138

The comparison shows a considerable excess in favor of Australia, which appears to be the more fiery of the twain. A burning rate is indicated 77 per cent. in excess of that in Canada, without considering the difference in population. If it be taken into account that the ratio between the populations of the two countries is about 3 to 2—Canada having 4,350,933 people and Australia 2,743,748 people—this rate is materially increased.

At least two reasons may be given for this continental difference in the tendency to combustion. First, that Australia, being a new country, and, to a large extent, settled by adventurous gold-seekers, has a flimsy, temporary and inflammable architecture; whereas Canada, being older and slower in growth, is built more substantially; or, secondly, that the difference is regulated chiefly by the meteorological characteristics of the two countries.

The last appears to be the more plausible theory. The climate of Canada is not as much subject to sudden changes as that of Australia, the rainfall is more regular and more plentiful, and the atmospheric moisture is more uniformly maintained. Canada is rich in water courses; and it never happens, as in Australia, that rivers shrink into creeks and creeks into rivulets, to return to rushing rivers with the advent of the "rainy season." In short, Australia is said to be, on the whole, arid, while Canada is humid. The average rainfall in Australia is far below that in Canada, and the deficiency in the rainfall is about proportional to the excess in the number of fires. As to the theory concerning the superior architecture of Canada, it must be admitted that the increased hazard incident to domestic fires in the long and severe Canadian winter counterbalances any such hypothetical superiority.

It appears, therefore, that what may be called the natural hazard is about twice as great in Australia as in Canada. In other words, if the experiment were tried of simultaneously building similar structures in each country, the meteorological conditions are such that the Australasian structure would stand two chances of being destroyed by fire to the Canadian building's one.

But it is not necessary to go to foreign countries to find a difference in meteorological conditions, and thereby a difference in the ratio of fire loss. There is an abundant variety of climate in different portions of the United States, and, as we attempted to show a few weeks ago in the most marked cases, wherever and whatever this difference is, there is a corresponding difference in the ratio of fire loss. Indeed the profits of fire underwriting fluctuate with the weather gauge far more than is generally supposed. Underwriters have not been as progressive in their investigation in this direction as they have been in some others; nevertheless, there is no steadier influence upon combustion than the atmospheric influence. It is not a percentage to be added in calculating the risk, but, aside from the moral element, it multiplies the other conditions of the risk.—*Chronicle*.

### ROYAL INSURANCE COMPANY.

The annual meeting of this Company was held on the 4th inst., when the report of the business for the year 1881 was presented. In the Fire Department the premiums for the year, after deducting re-insurances, amounted to \$4,416,620, being an increase over the preceding year of \$251,230, and the net profit realized, including interest, was \$629,135, which added to the amount at credit of profit and loss account, enabled the Company to increase the Fire Insurance Fund by \$250,000, pay the usual dividend, and leave a balance at the credit of the profit and loss account of \$729,478.

In the Life Department, the premiums for the year amounted to \$1,250,905, and after liquidation of all claims and expenses the Life and Annuity funds were increased by the sum of \$720,555, making the total accumulations in this department \$13,689,290.

*Funds*.—After payment of the dividend, the funds for the security of policy-holders stand as follows:—

Capital paid up.....	\$1,447,725.
Fire insurance fund.....	2,750,000
Reserve fund.....	4,750,000
Balance of profit and loss account.....	729,478
Life fund.....	13,689,290

\$23,366,493

In the course of the proceedings it was stated that the year 1881 had been remarkable for the extraordinary number of fires which had occurred, the Company having had no less than 1,820 losses more than in the preceding year, with the result that, in common with other companies, its operations had not been so satisfactory as in previous years. As illustrating that the business of insurance is subject to periods of unfavorable experience, reference was made to the fact that on several previous occasions in its history, the Royal had had years of adversity, and it was chiefly when such periods came round that the wisdom of the policy of the Company, inaugurated many years ago, of creating large reserve funds, became apparent, as the first condition of success is the confidence of the public in the stability of the Company. That the directors of the Royal still keep this object prominently before them is evidenced by the fact that, notwithstanding the comparatively adverse results mentioned, the reserve funds have been increased by the addition of \$250,000 during the past year, which funds now stand at the magnificent total of \$7,500,000 in addition to the paid-up capital, balance of profit and loss and life funds. It was also mentioned that on the 30th June last the investments of the Company had increased in value by the sum of \$1,717,375, which amount is not included in the assets of the Company.

### WANTED.

The Agencies of a couple of good British Fire Insurance Companies, for the Town of Woodstock, Ontario, by gentlemen that can control a large business, best reference and security given.

Address,

A. B. C.

Insurance Society Office.