

THE WESTERN ASSURANCE CO.

The 33rd Annual Report of the Western Assurance Co. will be found in our columns:—

Unfortunately the large income for the year just closed has been absorbed in the expenditure, which, however, includes two half yearly dividends of six per cent. and an appropriation for claims reported to date, but not adjusted, so that the insured whose policies became claims have had their dues paid or provided for, and the shareholders have received their dividends, all with the customary regularity and promptitude for which the "Western" is noted. Perhaps in attaining these two objects, paying losses incurred and yielding a dividend to its stockholders, the "Western" has fulfilled its duty, and indeed done all that could reasonably be expected of it in a year like 1883, so generally unsatisfactory in results to Insurance Companies:—At the same time we should like to have recorded a profit as well as to show the company had "paid its way."

In estimating the position of the "Western" let our readers remember that when an Insurance Company reaches an annual income of \$1,690,553, and increasing yearly, the advent of what is known to the profession as a "good year" may enable it to score a profit of two or three hundred thousand dollars easily. These good years do come round occasionally, and the companies with large incomes who have held their own in the bad years, stand to win enormously. We hope to record such a result for the "Western" next year.

The "Western" stands deservedly high in the public estimation, as an institution having a reputation for honorable and fair dealings, second to that of no other insurance office in the Dominion, and is well worthy of every confidence and support.

THE MERCANTILE FIRE INSURANCE CO. OF WATERLOO.

In present issue we print the eighth Annual Report of this rising Ontario Insurance Co. The full details are laid before our readers, and each can figure out results to suit himself; we prefer to look upon the statement of affairs *solely* as in the interest of *policyholders*—the insured. We find the *net* available assets to amount to \$54,578, *i.e.*, after deducting all unpaid fire and other claims upon the Co. Then, beyond the cash assets, there is the balance of subscribed, but uncalled capital, of \$180,000. The shareholders responsible for this sum are all named, and we find the great bulk of them are well known gentlemen, resident within twenty miles of the Co.'s Head Office; they are considered good for every dollar of their moderate liability, if called on. Next to actual cash in hand a body of solvent, easily reached, and friendly shareholders is a source of great strength, often the salvation of an Insurance Co. in an emergency. The history of most of our deceased Canadian Cos. will support this view. It further appears from the statement before us that the "Mercantile" is in a position, if so required, to return to its policyholders all unearned premiums, pay back to shareholders the \$20,000 advanced by them, together with a *farewell* bonus of 37½ per cent—on the paid-up capital. Surely

that is solvency, and safety too, if the present limited, small-line liability of the Co. is faithfully adhered to.

Now as to results of transactions for '83 the gross-premiums were \$66,198, the gross income \$68,794. The corresponding figures for previous year were \$49,107 and \$52,555. The losses for '83 were \$40,846, as against \$25,145, for previous year. Therefore the premium income increased by \$17,091, and the losses by \$15,701. As total income exceeds expenditure only by \$2,390, the Co. can claim to have done little more than hold its own, so far as profit is concerned, but the increasing volume of business and the increased rates of insurance obtained under the new Tariff Association, of which the "Mercantile" is a member, together with the growing public favor it enjoys, justifies the expectation of a good return for 1884. The Company is reputed liberal in loss settlements and prompt in payment, and if to deserve success is half-way to its attainment, the Mercantile is well on its way to that desirable goal.

LION FIRE INSURANCE COMPANY.

The net premium Income of the Lion Fire office for the year 1883 was £144,830 stg., added to which interest, &c., brings the amount up to £149,972. The losses were £98,454, or say 67.8 per cent; the expenses of management, commissions &c., were £49,865, or say 34 per cent of premium income. The sum of £1653 was carried to the reserve fund. The balance sheet shows that the Company entered upon the year 1884 with a paid-up capital of £112,013 intact, and a reserve fund of £64,011 stg. The English *Review* in commenting upon the above says: "The agents and representatives of the society both at home and abroad, may feel satisfied that the Company is in a thoroughly sound position, and we have every confidence that it will increase both in reputation and prosperity in the future."

Mr. Martin Bennett, jr., Hartford, Conn., is the manager for the United States Branch of the Lion Fire office.

UNION MUTUAL LIFE INSURANCE COMPANY OF PORTLAND, MAINE.

Superintendent McCall. of the New York insurance department, has addressed the following letter to President DeWitt of the Union Mutual Life Insurance Company of Maine:

DEAR SIR:—I have before me the report of my deputy, Mr. Shannon, on the examination of your company, made pursuant to my directions of Dec. 7, 1883. The figures show a surplus of \$718,907.27 by the standard of reserve fixed in this State. According to the four per cent. method of valuation, the surplus appears to be \$387,913.10.

Mr. Shannon has performed his labors under my advice and suggestions, and his report shows that no doubt can be entertained as to the good standing of your company. It is manifest that on all doubtful points his decisions have been against the company and on the side of safety. I am convinced that the conclusions arrived at by the joint board of examiners are the views of conservative men, acting throughout their investigation in the interest of your policy-holders. Wishing you the success you deserve, I am, sir,

Respectfully yours,

JOHN A. MCCALL, JR., Superintendent.