

COMMERCIAL UNION ASSURANCE COMPANY LIMITED.

The record and present position of the Commercial Union Assurance Company, Limited, may well be considered one of the marvels of the insurance world. Established only 53 years ago, and therefore one-half the age or less of many famous British insurance organisations, the Commercial Union now takes rank from the point of view of annual premium income as the largest British insurance office outside the domain of industrial life insurance. The Company gathered in 1914, net premiums in excess of forty millions of dollars. In the attainment of this vast turnover, all the principal branches of insurance enterprise, with the single exception of industrial insurance, have been laid under contribution. The energy and activity, shrewd judgment and keen foresight, which must have been employed in order to achieve such a magnificent position are self-evident. Clearly also, such a position could not have been attained without sound financial foundations and a general policy that has resulted in a reputation second to none among the insuring public the world over.

While, as already indicated, practically all branches of insurance are now transacted by this great organisation, the fire insurance branch has been predominant throughout its entire career. From the time of the establishment of the Company in 1861 to the end of 1914, this department has received in premiums an amount of over 300 millions of dollars, and the average loss rate for the whole of the period works out at only 56.8 per cent. Considering the enormous conflagration losses which have had to be met from time to time this is a wonderful record of consistently successful fire underwriting, and it is interesting to note in this connection the high tribute paid at the recent annual meeting to the services of the General Manager (Mr. E. Roger Owen)—a tribute which those on this side of the Atlantic who have the privilege of Mr. Owen's acquaintance will recognise as being thoroughly well deserved. Assets amounting to upwards of \$133,800,000 at the end of the fifty-third year impart a sense of security not easily disturbed, and are in keeping with the position occupied by an undertaking everything connected with which is upon a grand scale.

It is fitting also to make mention of the admirable patriotic spirit shown by the staff of the Commercial Union at this time. No fewer than 730 members of the staff of the Commercial Union and its allied companies are serving with the forces—equivalent to nearly 30 per cent. of the whole staff. Up to the time of the recent annual meeting two deaths and one prisoner of war had been heard of. Not only has this keen spirit of patriotism been shown by those of military age, but the older members of the staff and those who for various reasons could not enlist, have all agreed to put in extra hours at the office—coming earlier and staying later—in order to cope with the Company's business.

THE FIRE DEPARTMENT'S YEAR.

While the Commercial Union transacted a very considerable business in countries which are now enemy countries, and no premiums have been brought into account in respect of those countries

since July, 1914, the Company was able to develop its business in other directions to such advantage that it is able to report a fire premium income larger by \$884,725 in 1914 than in the previous year. This increase, which would, of course, have been even larger under normal conditions is rendered the more remarkable under the circumstances by comparison with increments of \$608,150 and \$279,165 respectively in the two previous years. Against a net premium income thus raised to \$17,686,395 (or double what it was eleven years ago) the claims paid and outstanding required \$9,806,295, a ratio to premiums of 55.4, which while not so satisfactory as the very favorable experience of the two preceding years, is yet below the general average of the Company since its commencement of business in 1861. The particularly unfavourable experience of all companies in the United States last year was shared by the Commercial Union, the rise in loss ratio being thus accounted for. Expenses at \$6,165,315, a ratio of 34.8 per cent. of the premiums, show a slight increase over 1913, possibly as a result of the large accession of business, but the continued efficiency of the Company's great organisation is demonstrated by the fact that at the increased level, the ratio is lower than it was three years ago.

The fire department's funds are as usual maintained in an exceedingly strong position. There is a reserve for unexpired risks—40 p.c. of the premium income for the year—of \$7,074,560, and an additional reserve—increased last year by \$558,790—of \$10,816,820, which with the balance on profit and loss account of \$1,469,705, makes the total funds available for the protection of fire policyholders, \$19,361,085, a proportion of 109 per cent. of last year's premium income, apart altogether from the large paid-up and subscribed capital.

FUNDS OF THE COMPANY.

The following is a statement of the funds of the Company as at December 31, 1914 :—

Capital paid-up.....	\$ 1,475,000
Investment Reserve Fund, Guarantee and Pension Fund, Profit and Loss Account, etc..	5,587,525
Life and Annuity Funds.....	72,629,385
Fire Fund.....	17,891,375
Marine Fund.....	5,005,470
Accident Fund.....	1,023,775
Employers' Liability Fund.....	2,848,200
General Accident Fund.....	6,075,720
Re-insurance and other Funds.....	2,203,535
Leasehold Redemption and Sinking Fund Account.....	1,514,365
Total Funds.....	\$116,254,350

THE COMMERCIAL UNION IN CANADA.

Entering the Canadian field so long ago as 1863, the interests of the Commercial Union in the Dominion have long been in the skilful hands of Mr. James McGregor, a conservative underwriter who is as highly regarded by the insurance fraternity in Canada as he is widely known. Mr. W. S. Jopling, the assistant manager, has spent many years in the Commercial Union's service in Canada, and a large and efficient organisation is maintained throughout the Dominion. Last year the Commercial Union's Canadian fire busi-