

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

Among the leading organisations devoted primarily to liability and accident insurance, The Employers' Liability Assurance Corporation, Limited, of London, England, has always held a prominent position both by reason of its extensive operations and of the solidity of its financial position. The enterprise with which it has been conducted and the great scale of its present operations may be judged from the fact that during the thirty-three years from its foundation, the Corporation's net premium income has aggregated no less a sum than about \$86,000,000. Moreover during the last twelve years the whole of the underwriting profits have been carried to reserve. Within that period the interest income has exceeded the dividend disbursements by some \$150,000, and there has not been distributed to shareholders any of the profits arising directly from underwriting. The facts suffice to show both the strength of the Company's position and the conservative policy which is followed in regard to its management.

THE RECORD OF 1913

Again last year the premium income of the Corporation was upon a record scale. Its total was \$8,443,506 comparing with \$8,418,721 in 1912. As so recently as 1909, the premium income of the Corporation was only just above \$5,000,000 it is apparent that in recent years very great strides have been made in the extent of operations. Claims absorbed \$5,197,345, being considerably heavier than in 1912. This is, however, accounted for by the fact of the notably large increase in premium income received in 1912. The reserve put aside at the end of that year to meet future losses arising in respect of the premiums of 1912 has proved more than sufficient for the purpose. But, of course, losses arising in 1913 in respect of the premiums obtained in 1912, appear now as a charge against the premiums of 1913. The percentage of losses that actually belong to the premiums of 1913, is only slightly in excess of the average of the previous ten years, so that it is apparent that despite the unusually heavy claim rate of last year, the business of the Corporation remains in a satisfactory condition. After payment of expenses, as a result of the year's business, the revenue balance is increased from \$7,534,562 to \$7,954,761.

The balance sheet shows that in investments and cash, the Corporation has made a further considerable advance during 1913. Total assets at December 31 last, were \$11,470,004 against \$10,974,671 at the close of 1912. Reserves were brought up to \$9,971,192. The whole position is an admirable one.

THE CORPORATION IN CANADA.

In the Canadian field, The Employers' Liability Corporation is widely known and a large and steadily increasing business is transacted in personal accident, health, liability and fidelity guarantee insurance. Under the management of Messrs. Griffin and Woodland, the Canadian business is maintained on an exceedingly firm basis. In the last three years also, the Corporation has transacted fire business in Canada. Mr. John Jenkins being the fire manager. In 1913, fire premiums received in Canada by the Corporation totalled \$259,958 and net losses incurred were \$111,872, a loss rate of 43.03 per cent. A sound business is being built up in this department.

The total income in Canada for 1913 for all branches amounted to \$1,300,000, and the government deposit amounts also to the large sum of \$1,300,000. It can well be said that the Corporation occupies a very enviable position throughout the Dominion.

SIMPLICITY IN FIRE INSURANCE.

In Bermuda, where many Canadians, particularly at this time of year, find agreeable annual relaxation, simplicity in fire insurance finds its acme. There is no insurance department and only one local fire insurance company, the Bermuda Fire and Marine Insurance Company, Ltd., of which Mr. Henry S. Eve is the manager. In a recent interview, Mr. Eve states that schedule rating in Bermuda is reduced to its lowest terms, by reason of the fact that there are but two kinds of construction, stone and wood, consequently there are but two rates. The chief factor in Bermuda underwriting is the moral hazard, in which the local company has the advantage of being thoroughly acquainted on the entire island, whereas representatives of foreign companies engaging in other pursuits than insurance do not have the same opportunity to become thoroughly conversant with the financial standing of their clients. With the exception of the winter resort hotels and the few minor buildings, all of the houses are built from limestone blocks, cut out of hillside quarries. A man buys a lot, and with the coral rock taken from the excavation for his cellar he builds his house. The roof is made of coral slabs, whitewashed, and the rain water falling thereon is taken to a reservoir or cistern and used for drinking and all other purposes, including fire fighting when necessary. Mr. Eve states, however, that with the exception of the fires occurring in Hamilton, little attempt is made to extinguish a dwelling-house fire. Usually after effecting as much salvage as possible, the fire is allowed to burn through the roof rafters of cedar, whereupon the roof itself, consisting of heavy coral slabs, falls in upon the fire and extinguishes it. While the shingle roof is not in evidence on the island, the corrugated iron roof was denounced by Mr. Eve as poor construction, in that it did not fall in upon the fire, but rather curled up and created an open chimney for the burning building. The Bermuda fire department consists of one hand engine and one steamer (650 gallons a minute capacity). The department is volunteer, but in case of a severe fire the military is always within call. In fighting fires in Hamilton the water supply is secured from the bay. Where there is not sufficient hose to reach the bay, the reservoirs before mentioned are called into use. Although oil and acetylene are extensively used for lighting purposes, fires are very rare, but when they do occur are nearly always a total loss. No policy is written for a longer time than one year, and the prevailing rate is .375 per £100.

A NEW ONE.

Of the invention of new kinds of insurance policies there is no end. A new one issued by an accident company in London, England, is to cover the risks run by bailiffs. The policy is simple, the premium small, and we can quite believe what a London exchange discreetly says about it that "the rates quoted are certainly of a nature to attract the attention of officials engaged in their somewhat risky duties."