

consequence of the untoward events which I have alluded to disturbing the public mind, it would not have been at all surprising, and need not have created any apprehension. The fact that there has been 'no falling off' in our business during the past critical year—(a year, too, it may be remarked, which has followed hard on several years of severe commercial depression)—but, on the contrary, that it has been fully maintained, and even exceeded, though it may be to a small extent, speaks volumes in regard to the place amongst life assurance offices which the Standard holds, and has so long held, in public estimation. It is interesting to note the career of the Company, going back some thirty or forty years. It began in a very small way. Within my own recollection it occupied very humble premises in South St. Andrew Street. When our excellent manager, Mr. Thompson, to whom the office is so largely indebted, became connected with it—no less than 36 years ago—the total income was only about £13,000 a year. It took a decided start from that time, and has continued steadily to advance in an ever-increasing ratio. If we made a retrospect of the Company's business for the last twenty-five years, and divide that space of time into quinquennial periods, the following results are brought out:—From 1845 to 1850 the amount of assurances effected was £2,146,641 (average, £429,328 4s.); 1850 to 1855, £2,492,988 (average, £498,597 12s.); 1855 to 1860, £2,815,455 (average, £563,091); 1860 to 1865, £3,434,109 (average, £686,821); 1865 to 1869—a period of only four years—£4,532,414 (average, £1,133,103 10s.) If we take the annual revenue of the Company in the corresponding period, we find it, in 1845, £103,371; 1850, £169,151; 1855, £237,450; 1860, £304,161; 1865, £441,672; 1869, £710,428. This, it must be confessed, is a truly princely revenue. But it is necessary to remember here the claims by death, which have to be met out of it. It may appear somewhat startling to record that 564 policies have merged by death in the course of last year, on which has been paid the large sum of £322,117 11s. 8d., to which sum we have to add bonus additions to policies, which became claims, amounting to the further sum of £36,649 10s. 10d. These amounts, which, however large, have been amply provided for in our calculations, infer a large amount of benefit conferred on a large number of families, who, in consequence, have, in many instances, been relieved from distress, which otherwise might have been crushing to them; and in all, it may be assumed, have enjoyed comforts which otherwise might have been wanting. Our business, then, is a large one. But a large business, as the public know from painful experience, may neither be a profitable nor a safe business, unless it be properly conducted. There are several notable elements of safety and success in life assurance. These are—

1. That the lives be properly selected; and, to attain this, that every case be minutely investigated by able medical men, and careful boards and officials, so as to guard effectually against the possibility of the admission of unsound lives. This office, it is right to state, does not profess, as some offices do, to insure lives in which there exists any flaw. It opposes itself rigidly to the system of making random calculations, based on uncertain data, with the view of insuring doubtful lives on the payment of extra premiums. All the lives insured in the Standard, therefore, are good or fair average lives. It takes none other. It may serve to show the care exercised by this Company in the selection of its lives, that we state that no fewer than 407 proposals for assuring £350,520 were declined during the past year as ineligible.

2. But even this care, however essential, would be of little avail comparatively, were not the utmost attention paid to securing that paramount object, viz.: That the assets of the Company shall be not only adequate to meet its liabilities, but that these assets shall be real and securely in-

vested. The balance-sheet of this Company will be found published in the report of this year; and from that statement the public will be able to judge of the stability of this Company, and of the guarantee which is thus afforded for the security of its policies. To make assurance doubly sure—the Company's securities are submitted periodically to a rigid investigation by a committee, consisting of those among the directors who are law, agents; and when I mention that the committee at present occupied in that investigation consists of men of such high position in the legal profession as Mr. John Dundas, C.S., Mr. Harry Maxwell Inglis, P.C.S., Mr. T. G. Murray, W.S., and Mr. James Hope, jun., W.S., I think I have said enough to satisfy all concerned that work will be, in the present, as efficiently and conscientiously performed as it has been in the past.

Nor must I omit to mention that a most minute and in every respect searching audit of the Company's books and accounts is being constantly conducted by Mr. C. Pearson, C.A., the able auditor of the Company, whose report will be found embodied in the report of the directors. I would only further say under this head, that I hold that security is the first desideratum in all insurance transactions. Good bonuses are doubtless desirable, and it should be an object, by careful and economical management on safe principles, to secure for the policy-holders as large a sum in the shape of bonus as possible. I believe the Standard is so managed, and consequently holds out as fair prospects of bonus as any safe Company; but I repeat that above all, and beyond all, security should be the prime object of consideration by those who desire to effect policies of assurance on their lives.

There is another subject to which I deem it right to call your attention, and that is the importance of freeing policies as much as possible from burdens or conditions. This is an object which has specially been attended to in the management of the Standard Company. Without presumption, this Company may claim for itself the merit of having led the way in removing most of those terms and conditions attached to assurance policies, which were at one time very stringent, and they have sought, as far as possible, to make, and already have made, a life-assurance contract, as forcibly stated in the report, "very nearly a promise to pay a certain sum on the death of the person insured, subject to the payment of the premium."

The Chairman then recapitulated the various resolutions adopted by the Company in 1851, 1856, and 1861, to liberalize the contract of assurance, as more particularly stated in the report, and then proceeded as follows:—

The directors now propose to take a further step in the direction of liberality—a concession called for by the public, and justly due to those interested in their policies—namely, the publication of a fixed surrender value. The Manager has submitted to the directors calculations showing the values of policies effected on lives of all ages, and existing for different periods; and having found that the proper allowance to be made for the surrender of assurances lies within certain definite limits, they have supported his proposal that a scale of values be at once published. The company have all along given fair surrender values for their policies, and might at any time have declared their rule regarding them, but it was not the practice to do so, and the usual practice was followed: but now, when such matters are more closely examined than heretofore, they have at once yielded to the popular wish. I need not enter fully on an explanation of these rules, as they are stated in the report which will be placed in your hands; but I may congratulate you, and all interested in the Company, on the Standard having once more shown itself ready to accede to the public all reasonable demands on its fairness and liberality. The increase of the claim of each policy on the Company's funds is now distinctly set forth, and the policy-holders

are enabled to ascertain the sum which is at their credit by a very simple calculation. In conclusion, I think that after what I have stated I have every reason to congratulate the Company on their present eminently prosperous condition. Our transactions are very extensive; the area of our business is, indeed, coextensive, with the British Empire. We draw business not only from Great Britain and Ireland, but from the Dominion of Canada, from the West Indies, from the Cape, from Ceylon, also from other colonies, and from the vast empire of India—where our business, indeed, seems recently to have become developed in a degree which promises important results. The present year, I may remind you, is the investigation or "bonus year" as it is termed. Whilst we may fairly look forward to a year of even higher prosperity than hitherto, yet it becomes us not to rest on our oars. Let all therefore, who are interested in the Standard, whether as proprietors or policy-holders, exert themselves to the utmost to maintain and extend the prosperity of this Company, which they can in all honesty commend to public favor, as one whose affairs are conducted on principles at once perfectly secure and thoroughly liberal.

The report having been unanimously approved of—the establishment of the Company, after filling up vacancies in the usual manner, was arranged for the ensuing year.

### Insurance.

**FIRE RECORD.**—St. John, June 18.—A destructive fire occurred near the skating rink. A large barn full of hay and grain and two dwelling houses were destroyed. A strong wind was blowing at the time, and many houses took fire from the burning fragments, but were extinguished.

Caledon, June 11.—The stables barn and sheds of Andrew Hillock, Lot No. 22, in the 2nd Con., were fired by lightning and destroyed, with contents.

Berwick, N.S., June 7.—Osborne's Hotel, with contents, was consumed; insured for \$1,800.

Oakwood, Ont., June 11.—Pyper's mill was destroyed by fire; supposed to have originated from the overheating of the shaft connected with the engine. The insurance amounts to about \$9,000.

Everton, June 7.—The stove factory of A. Gokey & Co. was consumed; loss \$300; no insurance.

—The following prices were obtained for the wheat damaged at the late fire in Montreal:—45,000 bush. grain, section No. 4, at 21½c; 40,000 bush. grain, section No. 5, at 10½c; 45,000 bush. grain, section No. 6, at 20c; 51,000 bush. grain, section No. 7, at 19c. Total, 181,000 bushels. The flour damaged was not sold by auction, an equitable allowance having been made to the owners by the various insurance companies interested.

Montreal, June.—Tavern of Martin Tracy, at the corner of Notre Dame and Jean Baptiste Sts. Stock and building fully insured.

Branchton, June 20.—The saw mill and lumber, of Wm. Roseburg, were consumed; loss stated at \$9,000; said to be insured for \$2,000.

Montreal, June 22.—One of the most terrific fires that Montreal has seen for years, occurred last night. Osteli's planing mill and lumber yard, on the canal, Point St. Charles, took fire. The flames soon communicated to Tucker & Sons lumber yard adjoining, and spread to Shearer's lumber yard and saw mill. The saw mill caught several times, but was finally extinguished. About a dozen families were left homeless before the flames could be got under. Hundreds of mechanics are thrown out of employment. It is impossible to estimate the damage done, but we should think it is not far short of \$500,000. The property is insured chiefly in the Royal Imperial and Phoenix, but the total amount is not very large.