

panies, only one paid no dividends for three past years, and the average rate of their dividends was much higher than the average of the banks, trust, and gas companies of New York and Brooklyn. If these dividends are paid wholly out of the income from investments, it may be asked where funds for these investments came from, if no profits have been made?

CALEDONIA INSURANCE COMPANY.

The Caledonian as it gets nearer to its century of life is growing in financial strength, as becomes an institution which is the oldest Scottish insurance office. During 1895 the Company was re-arranging its business connections in the United States, mainly with a view of clearing out such undesirable risks as are liable to be acquired by the best regulated companies. This process extended into 1896, the effect being to reduce the net Fire Premiums from \$1,071,410 to \$1,955,955, a reduction of \$15,455, a sum which, by an odd coincidence, is about the same as the amount by which the Interest income was increased. The Fire Funds, consisting of paid-up Capital, guarantee Fund, and Reserve Premium Account, amount to \$2,037,500, an increase of \$92,865 over these funds in 1895. The fire claims for the year amounted to \$1,129,420, which is 57.60 per cent. of the premiums, a percentage which indicates the gratifying result of the pruning policy adopted in 1895. The Directors have considered it advisable to increase the Reserve for unexpired risk from the usual 33 1-3 per cent. of the Premiums to \$750,000, representing 38 1-3 per cent. This reduces the profits, but adds to the security of policy-holders, to which the Directors have always given the first consideration, and to which the excellent reputation of the Caledonian is largely due. The premium receipts of the Canadian business were increased last year, and the percentage of its losses to the premiums was below the average of all the companies doing business in Canada. Mr. Lansing Lewis, the Manager of the Caledonian in Canada, may therefore be congratulated on the share he had in enabling the Company to make so satisfactory a Report as the one we publish in this issue.

THE NATIONAL SURETY COMPANY.

The National Surety Company gives every promise of developing into being the leading organization of its class. It has been organized with \$500,000 paid up capital, and \$500,000 cash surplus. Already it has absorbed several other companies whose business was deemed a desirable acquisition. There is a probability of this strong company transacting business in Canada. From the following list it will be seen that the Board comprises a number of the wealthiest capitalists and ablest financiers of the United States, and the Dominion.

Directors of the National Surety Company :-

George J. Gould	Sir Wm. Van Horne	J. W. Hinkley
Chauncey M. Depew	Percy T. Morgan	W. L. Elkins
Richard Olney	Henry C. Payne	S. R. Shipley
Chas. A. Dean	I. McD. Trimble	Chas. R. Flint
John A. McCall	Anthony H. Brady	Hewart Browne
Persey Belmont	Fred R. Coudert	T. J. Coolidge Jr
J. D. Crammins Jr.	H. E. Huntington	Jas A. Blair
A. B. Hepburn	Richard Delafield	B. P. Cheney
E. C. Converse	Frederic Bronson	Leslie D. Ward
R. P. Flower	J. Edward Simmons	L. R. Bertron
W. B. Hornblower	R. Wilson Smith	

The Chairman of the Board of Directors is Mr. John A. McCall, the very able President of the New York Life Insurance Company. The President is Mr. Chas. A. Dean, whose high financial standing and reputation is well-known. Launched under such auspices, and under the direction and management of so exceptionally strong a directorate, the National Surety Company has an assured future of expansion and prosperity.

PHOENIX ASSURANCE COMPANY.

It is a special pleasure to have an opportunity of calling attention to, and commenting upon the Report of the Phoenix Assurance Company. Owing to a traditional usage of this institution, which has been "more honored in the breach than the observance," the annual Report for many years was never published at all, and not in England until recently. For some years, however, it was made public in Germany, as required by the Government, from which source all that was known of the Phoenix was derived. The Company was founded in 1680 as, "The Fire Office," being the first joint stock company for fire insurance in the world. It is an interesting incident in the history of the Phoenix that, in 1682, it was busy with a controversy respecting municipal insurance, which is thus proven to be an old idea resurrected. In 1705 the name was changed to, "Phenix Office," which retired, and in 1782 the Phoenix Fire Office commenced business, which has been continued ever since with success in Great Britain, the Colonies, and other countries. In 1786 it had an office at Hamburg; in 1804 it was established in Canada; in 1805 in New York. The Company has had its share of heavy losses, but has built up large funds, "owing to the principle of its management being not to do as much business as possible, but only such as could be carried out on a sound commercial basis." By persisting in this system the Phoenix has not acquired as much new business as it might have done had its course been less regardful of the interests of its policy-holders, and shareholders. A reference to the annual Report published on another page, will show that this very old Company has a paid-up Capital of \$1,344,000, its total funds amounting to \$7,410,205. The net premiums received last year were \$5,450,010, and the losses amounted to \$3,215,655. The total assets at close of 1896 were \$8,143,520. Messrs. Paterson & Son, of this city, are General Agents for the Dominion.