TWO HUNDRED YEARS OF FIRE INSURANCE.

The Sun's Unique Record.

On the 7th April, 1710, was executed the deed of co-partnership by which the Sun Fire office was brought into existence. There were 24 members, the virtual founder of the undertaking being an eccentric genius named Charles Povey, the versatility of whose gifts may be imagined from the fact that in the course of a long life he was author (and his efforts in this direction varied from remarks upon the state of trade to dissertations upon theology), inventor, coal merchant, politician, projector of public companies, public benefactor, and promoter of charitable schemes for the benefit of widows, orphans, apprentices, newsboys, wholesale merchants, and dealers requiring loans. Each of the 24 members contributed the sum of £20, making a total of £480, it being provided that losses were to be borne share and share alike and profits to be divided equally. As it was also agreed that receipts given by Povey in respect of payments which had previously been made to his other insurance companies, should be accepted in lieu of cash payments to the Sun, there is reason to believe that, as one speaker remarked at the recent bi-centenary dinner, the Sun started its career on the basis of "mutual confidence and no cash." However that may be, the Sun made such rapid progress that by 1720 the company was insuring £10,000,000 sterling under 20,000 policies, and very probably it was the great success which the Sun attained that led to the granting by Parliament of Charters to two other well-known companies, the London Assurance and the Royal Exchange. This, too, in spite of the fact, that in 1711 a proposal was submitted to the House of Commons seriously suggesting the "Setting up and appointing a National Insurance Office,"—a project which is no nearer realisation now than it was in 1710.

If space would permit, it would be a congenial task to quote at some length the records, quaint, curious and old-world, which make up the early history of the Sun Fire office. Mr. Edward Baumer, the Sun's late manager and secretary, has compiled on the occasion of the bi-centenary a handsome brochure, illustrated with reproductions of original documents and old engravings, which forms not only an interesting souvenir of the Sun's bi-centenary, but a fascinating record of fire insurance as it was carried on in the leisurely business days of the eighteenth century. A copy of it will be appreciated, we imagine, not only by all those who are on the world-wide staff of the Sun, but also by many who are engaged, in other directions in the business of fire insurance. It must suffice here to say that on the occasion of the Sun Fire's centenary, the now almost equally famous Sun Life was formed with the same directorate as the older office. The shares, 4,800 of £100 each with £10 paid, were offered to the shareholders in the Sun Fire and in order that they might pay for them, the latter, a few days after this offer was made, obligingly declared a centenary bonus of £10 per share. Up to the year 1836, the office confined its business to the British Isles, but in that year foreign business was undertaken and the Sun's foreign connections have since become extremely important. Canada was entered in 1892 and the United States in 1882.

To come down from the past to the present day, it is eloquent of the present position of this great office that the report for 1909 is able to state that last year "was the most prosperous hitherto recorded." In every direction, indeed, circumstances have combined to make the Sun's bi-centenary a noteworthy occasion. Funds are restored after an unprecedented demand caused by the disaster at San Francisco, the fire income is at its highest, interest receipts are more than ever productive and the loss experience has been most favorable, being no less than nine points lower than in 1908. The society's progress during the last four years and for a decade previously is shown statistically in the following table:—

	Net Fire Prems.	Losses. p.c.	Expense, p.c.	Total Funds.
1895......	$4,896,000	55.8	33.0	$ 9,666,000
1900......	5,352,000	58.9	34.8	11,031,000
1905......	6,546,000	45.9	35.3	13,343,000
1906......	7,358,000	71.8	35.6	12,126,000
1907......	7,388,000	48.9	35.9	13,221,000
1908......	7,253,000	54.98	36.96	13,817,5[illegible]5
1909......	7,389,670	46.00	36.91	13,926,455

The extraordinary strength of the Sun is exhibited perhaps, even more clearly than in these figures by the fact, which may be recalled, that the San Francisco disaster cost the office in claims $1,750,000. Yet in that year the managers did not hesitate to make an addition to the ordinary dividend. Prior to 1909 the highest point in premium income was attained by the Sun in 1907, last year's fire revenue of $7,389,670 constituting a new record. Bearing in mind the extent of the business the loss ratio of 46 per cent. is remarkably low, it having been only so good once before in the last twenty years, in 1905, when the ratio was 45.9 per cent. The disbursements for losses in 1909 were $3,399,025 comparing with $3,987,990 in 1908, and after the usual allocation had been made to the unearned premium reserve, thereby maintaining it at 40 per cent., $1,547,420 was transferred to profit and loss comparing with $977,350 in 1908.

The total funds are made up as follows:—

Capital paid up........................	$ 600,000
Fire Fund..............................	10,455,870
Employers' Liability Fund..............	522,735
Accident Fund	39,675
Burglary and General Fund..............	42,130
Dividend Reserve.......................	600,000
Investment Reserve.....................	176,575
Pension Fund...........................	262,315
Balance at credit of Profit and Loss after payment of dividends............	1,227,155
Total Funds............................	$13,926,456

The Sun starts out upon the third century of its career with the good wishes of insurance men the world over. Its reputation stands so high at the present time that it can scarcely be enhanced; at the same time it will no doubt continue to obtain increasing material appreciation from the insuring community. In Canada the Sun has an important business, its net amount of insurance in force being nearly $42,000,000. Under the able management of Mr. H. M. Blackburn, of Toronto, the Canadian manager, the Sun will, without doubt, continue to make progress in the Canadian field as elsewhere. In Montreal the company is represented by Messrs. Evans & Johnson.