

RETURNS OF BRITISH FIRE OFFICES FOR 1904.

The year 1904 will long be remembered by the fire insurance companies transacting business on this continent. There are certain events which engrave themselves indelibly upon the memory, and years become known by some striking event or incident, as Confederation year, so, a fire insurance man may talk of Chicago's, Boston's, or St. John's year, and now we have had the Baltimore-Toronto year.

We have received a table of the returns of the British fire offices, for the year 1904, and as a matter of interest to our Canadian readers, have taken the figures of the seventeen companies transacting business in this country, a synopsis of which will be found on another page.

We have given the paid-up capital of the various companies, the premium income, losses and expenses, showing the percentage of each and the net results, to which have been added the interest on the fire investments and dividends paid, with the percentage of the latter on the different amounts of the paid-up capital, from which it will be seen—as might be expected—that those offices whose capital is the smallest in proportion to the income pay the largest percentage of dividend.

But, what must strike everyone who glances at the table before us, is that in spite of the two disastrous conflagrations on this side of the Atlantic, nearly all the companies show a fair to a handsome profit on the year's business, which goes to prove, what we have so often maintained, that the wider the field, the better for a fire insurance company and the less likely for its being crippled by any special disaster, its eggs not being all in one basket, as the saying is. If a heavy blow is received in North America the profits from South America, Europe or Asia may more than balance the same, thus illustrating the law of average.

We can remember the time when a million sterling was considered a wonderful income in fire premiums, yet over half of the seventeen companies exceeded that sum last year, and some very considerably, which is the best criterion we know of to prove the confidence the public all over the world have in the honesty and fair dealing of those institutions.

In these large corporations, the financing is quite as important a feature as the underwriter. The figures in the table show that this department has been well attended to, and this tends to meet the increase of the expense account from which fire insurance is suffering in common with most classes of business. Formerly the expense ratio used to average about 30 p.c. whereas now it is close upon 35 p.c.

The loss ratio in ordinary years should be kept down, therefore, below 60 p.c. to leave a fair margin of profit on the annual outlay. That this in many instances has been done in the past year (which was

exceptional) speaks volumes in favor of the supervision exercised in the management of such far-reaching concerns. In repeating that fire insurance cannot be judged by one year alone, we leave our readers to study the table we have compiled, showing the main features in the returns of the British fire offices transacting business in Canada for the year 1904.

THE ROCHESTER-GERMAN INSURANCE COMPANY.

Mr. H. F. Atwood, secretary of the Rochester-German Insurance Company, has been in Montreal this week to complete arrangements for its entering the Dominion to transact fire insurance business.

As we have already stated Mr. Walter Kavanagh has been appointed chief agent of the company in Canada. He also represents the Scottish Union and National and the German-American. The Rochester-German Insurance Company has an honourable record and occupies a strong position. It commenced business in 1872. Since September, 1901, its resources have risen from \$1,249,510 to \$1,687,076, an increase of \$437,566 in 4 years. Its net surplus on 30th September last, was \$421,416, and the surplus to policy-holders was \$621,416. The company will be a member of the Canadian Fire Underwriters' Association.

The Rochester-German Insurance Company comes to Canada under favourable auspices having for many years enjoyed a high prestige which entitles it to confidence and support. The president is Mr. Frederick Cook, who is very highly respected in business circles in the State of New York.

PUBLIC ACCOUNTS OF THE AUSTRALIAN COMMONWEALTH.

The Treasurer of the Commonwealth, Australia, has just issued his statement for year ended 30th June last.

The revenue and expenditure of these federated colonies has now assumed a form that is likely to be continued. For a few years after they were united, there was some confusion created by the newness of the conditions. The customs and excise, postal and telegraph services and the defence of the country which hitherto had been controlled by each of the States came under the sole control of the Commonwealth, to which also were committed a number of departments of less importance.

The constitution provides that for 10 years 75 per cent. of customs and excise revenues shall be returned to the several States wherein they are collected. This, in principle, is on a line with the subsidies annually granted by the Federal Government of Canada to the provinces.

This arrangement is, however, much more liberal