

CONFEDERATION LIFE'S REPORT.

The forty-sixth annual report of the Confederation Life Association, of Toronto, indicates that the various developments and problems arising out of present-day circumstances, some favorable, others unfavorable, are being met by those in responsible charge of the Company with both energy and skill. The Confederation Life shared fully, during 1917, in the great development of new business which marked the period, reporting insurance written and revived of \$15,037,517, a gain of \$3,343,169 upon the similar total reported for 1916. This marked development in new business was accompanied also by a favorable experience in regard to the business retained on the books. Insurance in force at the end of the year is reported as \$82,273,701, an increase for the year of \$6,771,225, a showing which contrasts very favorably, indeed, with the 1916 showing, the gain in business in force then reported being under \$3,200,000. Net premium income at \$3,152,287 shows the substantial growth over the 1916 figures of \$208,000, while interest and rents are up to \$1,090,478, total income being raised to \$4,245,460, an advance upon the 1916 income of \$223,000. Disbursements to policyholders and their beneficiaries reached \$2,504,879, against \$2,117,188 in the preceding year. Death claims totalled \$972,517, an advance of approximately \$122,000 upon those of 1916, the result, of course, of the greater exposure to war risk, and to some, though not large, losses as a result of the Halifax disaster. Maturing endowments at \$474,556 were little changed from those of 1916 (\$465,730). Maturing investment policies were \$90,000 larger at \$306,255 against \$215,687. Profits paid to policyholders during the year were \$313,509 against \$254,858 in 1916.

ENLARGEMENT OF BOND HOLDINGS.

After payment of expenses, etc., the balance on the year's operations was such as to increase the net invested assets of the Company from \$20,385,085, at which figure they stood at December 31, 1916, to \$21,161,404. Total assets are \$22,311,775, a gain of \$750,000 over the preceding year, when total assets were \$21,559,159. During 1917, there was a further sharp decline in the amount of mortgages held, which were reduced from \$6,390,237 to \$6,049,594. The decline in the Company's mortgages during the last two years is fully \$650,000. On the other hand, holdings of bonds and debentures were further enlarged during the year by almost \$1,000,000 from \$7,650,002 to \$8,585,260. The gain in bond and debenture holdings during the last two years, is in excess of \$2,000,000, a great part of this being naturally represented by the Association's war-loan purchases. After calculation of liabilities upon the usual conservative basis, there is a surplus above all liabilities of \$2,274,728. The past record and present position of the Confederation Life are the Company's best recommendation, and those connected with it, from the veteran president (Mr. J. K. Macdonald) downwards can be congratulated upon the fine position occupied.

Stock insurance companies transacting workmen's compensation business, have decided to meet the demands of the New Jersey compulsory insurance law by co-operating in the formation of a pool which will take care of the extra-hazardous risks in that State.

BRITISH FIRE COMPANIES' 1917 EXPERIENCE.

Summing up the conditions in British fire insurance during 1917, the London Post Magazine states that all present indications point to a considerable increase of premium incomes, which, it is believed, will, to a large extent, be balanced by a marked rise in the loss ratio. Both of these changes are attributable to causes directly arising out of the war. The extraordinary rise in the value of commodities has necessitated revision of sums insured in every department of fire insurance, and, if the same effective cover were now obtained as before the war, the premiums would be almost increased by half. Needless to say, remarks the Post Magazine, nothing of the sort has happened, nor, indeed, have the insured even now grasped the fact that the cost of replacing almost every kind of property destroyed by fire is probably very largely in excess of the amounts shown on their policies. It follows that under-insurance has become widespread, and this has reacted unfavourably on the companies in more than one direction. Since the premiums are, as a rule, based on the experience that, in general, fires only result in partial loss, the increased cost of replacement falls wholly on the companies, and it has become a question, says the London journal, whether it would not be possible to put the average clause into operation much more extensively than at present.

SIGNING OF FIRE POLICIES.

Our attention has been called to the desirability of a reform in the practise of the companies relative to the signing of the policy contract, or, in other words, the wording of the policy. It is the usual practice for the companies, when attaching these forms, to place a rubber stamp over the form and the policy to prevent any substitution of the wording but, whilst it is the general practice to sign the policies, the forms are frequently left unsigned, the rubber stamp being considered sufficient.

Attention is being frequently called to this, particularly by insurance inspectors of the different banks, who claim that the individual forms should bear a signature. Whilst this may entail a little extra work on the part of the companies, we think the point is one well taken, and on which a general rule should prevail. All endorsements to a policy require the signature of a Company Official. Why not the form, which is the main part of the contract?

TRADE ACCEPTANCES IN SETTLEMENT OF FIRE PREMIUMS.

The New York Spectator suggests that if the Federal Reserve Board would announce its willingness to rediscount trade acceptances given in settlement of insurance premiums, insurance agents might find less difficulty in promptly paying their monthly balances. Of course, remarks the Spectator, care would have to be taken to avoid any infraction of laws prohibiting discrimination between insureds of the same class; that is, companies or agents would be obliged to adopt appropriate rules in connection with the use of trade acceptances, so that they could not be accused of favoring one customer more than another. The plan, the Spectator thinks, has sufficient merit to render it worthy of serious consideration on the part of the underwriters.