

Northwestern Mutual Fire Association of Seattle, Wash. Licensed for the Dominion

The Northwestern Mutual Fire Association of Seattle, Wash. is now licensed to transact fire insurance in Canada. The Company was organized in 1901, and writes business on the cash basis, charging, it is stated, the regular stock company rates, and professes to return savings to its policyholders, there is no assessment liability.

Mr. Norman S. Jones, of Seneca Jones & Son., Hamilton, Ont., has been appointed chief agent for Canada, who states that business is done direct with the owners of property, no agents being employed. Notwithstanding the latter fact, however, it will be noted, that the underwriting expenses incurred in 1919 figured at a ratio of 32.4 per cent. It may well be assumed that the numerous salaried inspectors employed by the Company are doing nothing more or less than canvassing for business, under the guise of inspectors, thus assuming the very expenses that they warn the public against in stock companies.

Mutual insurance has always had its lure for those looking for low priced policies, instead of guaranteed insurance. Organization in sound insurance means strong agency forces. The funds possessed by stock companies are the capital and surplus provided for making good and guaranteeing all contracts in the event that the losses for a period greatly exceed the normal.

Owing to the Northwestern Mutual's strictures regarding the quality of the business accepted, the balance of the insurable property in Canada, not written by the Northwestern Mutual, will probably be divided among the other numerous companies operating in the Dominion.

AUTOMOBILE INSURANCE STILL BOUNDING AHEAD

In its issue of the 19th December, 1919, The Chronicle published a table of premiums and losses in Automobile insurance from 1910 when this form of insurance first appeared in the Government blue books, to 1918. The figures for 1919, which are now available in the latest blue book, show that this branch of insurance last year made an enormously increased stride. The expansion in automobile premiums during 1919 over 1918 was, in fact almost equal to the whole of these premiums in 1917, as the following figures show:—

	Premiums	Losses	% Losses to Premiums
1919	\$3,412,864	\$1,605,201	58.5
1918	2,153,014	891,565	41.4
1917	1,424,835	571,400	40.1

While premiums show a very large increase, it will be noted that losses were in a fair way to being doubled in comparison with 1918, and their ratio to premiums is, in fact, the highest in the ten year history of the business in Canada with one exception. The business has problems of its own; but there is no doubt of its unbounded vitality and its extraordinary potentialities. Obviously, however, growth in volume of business, which does not mean corresponding growth in profits, is of no ultimate value to the companies transacting it. A business growing at this rate clearly is developing conditions very rapidly, and the problem before automobile underwriters is to meet these new conditions in such a way as to make the business continue to be worth while.

COLUMBIA

INSURANCE COMPANY OF NEW JERSEY

Annual Statement as of December 31st, 1920

ASSETS	
Government and Municipal Bonds	\$ 790,488.00
Railroad and Miscellaneous Bonds	563,890.00
Cash in Banks	175,145.50
Premiums in course of Collection and other Assets	267,431.48

\$1,796,955.08

LIABILITIES	
Cash Capital	\$ 400,000.00
Unearned Premium Reserve	390,134.38
Losses in process of adjustment	105,426.82
All other claims	88,000.00
	983,561.20
Surplus over all Liabilities	813,393.88

\$1,796,955.08

Head Office for Canada
Montreal

R. MacD. Paterson
J. B. Paterson

} Joint Managers

A. McBEAN & CO.
GENERAL AGENTS FOR MONTREAL
LEWIS BUILDING, MONTREAL