

THE GUARDIAN ASSURANCE COMPANY AND SAN FRANCISCO.

Manager Relton, of the Guardian Assurance Company, is, no doubt, one of the happiest of fire insurance officials in Great Britain at present, and likely to be for some time.

It will be remembered that owing to his recommendation the Guardian, some ten years ago, withdrew from writing risks in the United States. Since the Guardian's withdrawal several conflagrations have occurred in the United States, notably at Baltimore, by which disasters losses to extent of some 40 millions of dollars fell upon the insurance companies. Now comes the awful San Francisco catastrophe of earthquake and conflagration combined, which latter disaster will probably cause a loss of from 50 to 75 millions on the 110 fire insurance companies who had risks in that city.

From loss at San Francisco the Guardian is wholly free, it will not lose one cent by the recent conflagration.

Mr. H. M. Lambert, chief agent in Canada, states the company had no re-insurance in the devastated city, so the paid-up capital of \$5,000,000 and the assets of over 26 millions owned by this strong, and, in this case, highly fortunate company, remain unaffected by one of the greatest disasters ever caused by fire.

CONFLAGRATIONS.

Within the short space of two years, three large conflagrations have occurred on this Continent. Baltimore and Toronto in 1904, and San Francisco in 1906. It will be noted that in each case the fire loss was practically confined to the business centres, and underwriters are consequently saying that they are more and more convinced every day that rates in congested areas of large cities are not adequate with the risk. It is, of course, as much in the interest of the public as of the companies that adequate rates should be charged in order that the insurance companies may be in a position to meet such disasters when they occur, and thereby save the serious financial difficulties and complications which would inevitably ensue if the insurance offices were for any reason unable to meet their liabilities.

THE ROYAL COMMISSION ON INSURANCE.

The proceedings of the Royal Commission on Insurance have been suspended for some time owing to the sickness of Mr. Justice McTavish, the chairman.

The prejudice liable to be created against the companies by partial, one-sided reports of the examination appearing in some of the newspapers has caused several companies to issue leaflets giving correct reports of what transpired, accompanied by

explanations and the information required to protect them from unfair reports.

We have already given publicity to some corrections issued by the North American Life, respecting whose business misrepresentations had been made in a Toronto paper.

The Imperial Life has decided to take "the earliest opportunity to acquaint its representatives with the facts, to point out errors and give all necessary explanations."

In regard to "Not Taken Policies" the company claims that, "the evidence relating to this subject was incorrectly reported and misunderstood by nearly all of them."

The evidence is so reported as to convey the impression that Mr. Blackadar stated that, "two of the larger companies, one of them the Imperial, have resorted to the practice of unduly swelling their returns of new business by including policies for which notes, instead of cash premiums were accepted. When these notes failed to be met at maturity, the policies had to be written off to extent of hundreds of thousands of dollars."

This is quite misleading as it is the custom of the Imperial as of all the offices to include in their statements all policies *issued* and *taken* in respect of which the first premium had been paid in cash or by note as an Imperial policy is in force when delivered and cash or note received for the first premium. Mr. Blackadar stated that, his report "related to all the companies practically, and does not relate to any particular company," as was reported in several daily papers.

Another erroneous report was that "the Imperial Life asked to reduce its deposit by \$150,000, and Mr. Fitzgerald had no alternative but to submit." There is not a word of truth in this statement, the Imperial Life never asked for the release of such deposit.

Other quite as unfounded statements appeared in the public Press to which the companies have been compelled to reply by leaflets which, however, do not reach as large a number of readers as the daily papers.

These facts confirm and illustrate our contention that, to allow one-sided statements to be spread broadcast over the country which are calculated to damage the companies, without giving any company interested the opportunity of presenting evidence which would wholly counteract such adverse influence, is most unjust.

When the Royal Commission on Insurance resumes the investigation they should allow evidence to be promptly presented by any company which considers it desirable to explain what has been said that is liable to do such company injury.

The Royal Commission on Insurance has no other purpose than the investigation and publication of the facts relating to the business methods and the financial condition of the life insurance companies. If one-sided, crude, prejudiced, ill-informed evidence is presented that misrepresents the facts and that evidence is published without the correction accompanying what is defective or