

LONDON & LANCASHIRE FIRE INSURANCE COMPANY.

The London & Lancashire Fire Insurance Company has lately been celebrating its jubilee. Afflicted in its early days, perhaps, with even more than the usual run of troubles which always beset the infant fire insurance company, the London & Lancashire Fire has long since grown up to occupy one of the leading positions among the British fire companies. Perhaps, nothing more graphically shows the very rapid growth of this company in its later years than the following figures:—

	Net premiums.	Reserve.
1862..	\$ 117,000	\$ 5,795
1871..	705,000	*265,360
1881..	2,065,000	1,111,335
1891..	3,899,000	3,961,952
1901..	5,712,000	6,168,835
1911..	11,422,000	13,496,720

*Deficit.

In part, this growth has come about through the absorption of other companies. In the course of its career, the London & Lancashire Fire has, in fact, bought up between thirty and forty companies of various kinds, including three in Canada. In this field, the company has been long and honourably known. Canadian business was started by the London & Lancashire Fire in 1880 by the appointment of general agents for Nova Scotia, New Brunswick and British Columbia.

In 1882 an office was opened in Toronto, and the late Mr. Frederick A. Ball, a well-known and successful underwriter, was appointed manager for the remaining provinces and chief agent for Canada. Upon the death of Mr. Ball in 1885, Mr. W. A. Sims succeeded to the management. Mr. Sims was a careful and experienced insurance man, and conducted the company's affairs with great satisfaction until 1892, when he resigned. Mr. Alfred Wright was appointed in 1893 to succeed Mr. Sims. Mr. Wright had served under Mr. Ball for a number of years in another company and joined the staff of the London and Lancashire at the time Mr. Ball assumed the management in 1882. He remains the able manager at the present time, while Mr. A. E. Blogg, an old member of the staff, has lately been appointed branch secretary. Through the hearty and appreciated co-operation of the entire office staff, and of the secretaries for the various provinces, of whom Mr. T. F. Dobbin is at Montreal, and Mr. Arthur W. Blake at Winnipeg, and the officials of the subsidiary companies, the organization in Canada has been soundly built up. Including those of the subsidiary fire and accident companies, premium receipts in Canada last year were over \$1,110,000, as compared with \$374,000 in 1901. It is evident from these figures that a large advance has been made in the London & Lancashire Fire's Canadian interests within the last decade.

The figures published on another page show that the operations of 1911 produced results which were satisfactory. In the three departments of fire insurance, accident insurance and marine insurance, business was such as to give a substantial surplus in each case. Fire premiums reached \$7,825,630, compared with \$7,779,000 last year. Losses and expenses amounted to \$6,428,280, leaving a surplus of \$1,397,350.

Accident premiums were \$2,708,770 against \$2,674,725 in 1910. Losses and expenses reached

\$2,478,440, leaving a surplus of \$230,330. Marine premiums were \$891,620, and losses and expenses, \$683,700, so that the balance is \$207,920. Together, these three accounts show premiums of \$11,426,020, and losses and expenses of \$9,590,420, leaving a surplus of \$1,835,600. Adding interest on investments, \$461,656, there is the handsome surplus on the year's business of \$2,297,256.

Last year the London and Lancashire Fire received in Canada for premiums \$549,226 and there was paid out for losses \$357,795.

Insurance in the United States.

(Exclusive Correspondence of The Chronicle.)

Fire Underwriters in Conference—President Babb on State Rate-making—Personal and Company Notes.

The annual meeting of the National Board of Fire Underwriters, always one of the important fire insurance events of the year, was held on the 23rd ult., and the sentiments surrounding the meeting were of a mingled nature, combining good cheer with much discouragement. The discouragement arises from the fact that fire underwriting conditions continue to be unpromising, as we shall show hereafter; the encouraging features include the fact that the Board is harmonious; that it still stands for right principles so far as fire underwriting is concerned; that it is bravely backing the National Fire Protection Association, and its active and physical representative, the Underwriters' Laboratories; and that the companies are a unit in their desire and effort to repress the fire loss, and to combat hostile legislation.

Special attention ought to be called to the annual address of President George W. Babb, U.S. manager of the Northern, which was full of most important and significant suggestions. Mr. Babb drew attention to the increased percentage of taxation, which is yearly becoming more burdensome, annoying and unfair. He pointed out the small underwriting profit last year and in the past ten years, which in 1911 was but sixty-six hundredths of one per cent., while in the ten-year periods an actual loss of .51 per cent. was shown.

One of the strongest points in the address was Mr. Babb's attack on State rate-making. No finer epigram was ever uttered or written in connection with fire insurance than was made by Mr. Babb in the following words:

"It appears to me to be self-evident that whoever pays the losses should make the rates, and whoever makes the rates should pay the losses.

"If the state makes the rates the state should pay the losses and take the premiums."

As Mr. Babb clearly points out, if the state makes maximum rates for the fire companies, leaving the latter to pay the losses, the state should also guarantee a reasonable profit on the business, otherwise, it is evident that state rates will prove to be practically a confiscation of the companies' money.

Mr. Babb's re-election to the presidency was sufficient evidence of the appreciation of his efforts.

PERSONAL AND COMPANY NOTES.

President John R. Hegeman, of the Metropolitan Life, is at present in Marienbad, Germany, where he is trying the famous water cure, in the hope of completely regaining his health.