

BANK PENSIONS AND PREMISES.

Allocations to pension fund by the banks completing a 1919 fiscal year were considerably enlarged over the allocations by the same banks for any previous year, the total of \$593,896 comparing with \$466,069 in 1918, while in the likely event of a contribution by the Bank of Hamilton, whose report is not available at the date of writing, the 1919 total will be brought well above \$600,000. As the table on another page shows in recent years, the number of banks which follow this method of rewarding their staff, has gradually increased. The time is probably not far distant, when all the banks will have pension funds established on a satisfactory basis. With regard to the Bank of Montreal, which does not appear in the list, there is a large established pension fund in operation, but the amount of the annual allocations to it do not appear in the banks reports.

Appropriations for writing down premises were resumed by the banks in 1919 on the old-time scale, which was necessarily much reduced when profits were not very satisfactory and there were other demands upon them, during the earlier years of the war. In this connection, however, it should be borne in mind that at the present time, the premises account does not represent the whole interests of some of the banks in their premises, subsidiary companies to hold these and other parcels of real estate having been formed by several of the leading institutions. While the liberal policy of writing off in this connection, followed by a number of the banks, has doubtless in several cases brought the assets very much below its real value, it is to be hoped that the banks will continue a vigorous policy of writing off premises, particularly now that more activity is being shown in regard to the opening-up of branches, in order that this asset may be kept well within bounds. Banking premises are not, in the main, exactly an easily realisable asset, and the less importance they assume in a bank's balance sheet, the better.

Full details of the bank's contributions to pension funds and writing off to premises account, appear on another page.

FIRE INSURANCE COMPANY OF CANADA

The directors first report of the Fire Insurance Company of Canada published on another page in this issue, shows the results of the Company's operations for a period of fourteen months to 31st December, 1919.

It is quite apparent that the Fire Insurance Company of Canada has been organized on a sound basis. Its low ratio of expense management for the initial year is very commendable, and it is quite

evident that those in control realize that the present good times are not going to last for ever, and the prudent policy is being pursued of placing the Company in as strong a financial position as possible.

It must not be overlooked that in the past a large number of non-tariff companies have paid the penalty, for extravagant management, and if a company is going to give reduced rates, and at the same time increase its assets, in order to inspire the confidence, which is essential to the welfare of the Company, it is absolutely necessary that the cost of management be kept down to the lowest possible ratio.

The Company's operations for the period under review have been eminently satisfactory. The gross premiums written amounted to \$325,071 and the net losses incurred figure the low ratio 12.86 per cent. of the net premium income. It will be noted that the ratio of expense management is 35.16 per cent. as against an average expense ratio of 39.12 per cent. for the twenty-eight Canadian Fire Companies reporting at Ottawa 1918.

Mr. J. E. Clement, Vice-President and Managing Director of the Company, is also responsible for its organization. He is one of the oldest and most successful underwriters in the Dominion.

MONTREAL WATERWORKS AND FIRE PROTECTION

The chairman of the Administrative Commission (Mr. E. Decary), received a visit this week from a delegation of the Canadian Fire Underwriters Association, the latter wishing to ascertain the position of affairs regarding the Waterworks, and the protection afforded against fire now and in the future. Mr. Decary in explaining the proposals of the Commission pointed out that with the installation of two electric pumps, each having a capacity of 30 millions gallons daily, would ensure a good supply of water at all times, should any of the steam pumps get out of order, unless the whole steam pumping plant was put out of operation.

The Underwriters also had explained to them the proposals regarding the aqueduct completion, and the electrifying of the whole pumping station, within the next two years, and were supplied with copies of the Engineers reports, and plans, so that they may study them.

SERIOUS FIRE AT MONTREAL

On the 24th instant a serious fire broke out in the warehouse of Molsons Brewery, corner of Craig and Delorimier Ave., a large quantity of various merchandise was stored in the building and the loss is estimated on a conservative basis at \$750,000 well covered by insurance.