

LONDON LIFE INSURANCE COMPANY.

The London Life Insurance Company, of London, Ontario, enjoyed in 1912 a favorable year's business. There is every indication that this institution is developing on sound lines. Reserves are valued on a stringent basis, satisfactory returns are being made to policyholders and the business is expanding steadily.

The following are the leading figures of the Company in the two years, 1911 and 1912:—

	1912.	1911.
New business	\$ 8,206,070	\$ 7,369,183
Insurance in force	23,264,821	20,237,985
Assets	4,059,376	3,589,798
Liabilities	3,858,002	3,409,495
Premium and Interest Income	1,132,768	959,185
Payments to policyholders	299,918	239,935
Reserve	3,693,637	3,278,616
Surplus on policyholders' acct.	201,374	180,303

It will be seen from the table that the results of 1912 compare exceedingly favorably with those of 1911, which was one of the best years in the Company's history. The new business amounted to \$8,206,070, an increase over 1911 of about \$900,000. The amount of insurance in force is advanced by about \$3,000,000 to \$23,264,821. The premium and interest income at \$1,132,768 are nearly \$175,000 higher than in 1911. The Company had a particularly favorable experience last year in regard to mortality. The percentage of actual to expected claims for the year in the ordinary branch was only 43 per cent., while the percentage of claims to premium income in the industrial branch again shows a marked decline.

The Company's assets were increased last year by about \$470,000 and amounted on December 31 last, to \$4,059,376. The surplus on policyholders' account is \$201,374. As already indicated, this surplus is only arrived at after the calculation of reserves on a strict basis, considerably in excess of the Government's requirements. Indeed, on the Government standard the Company's surplus exceeds \$480,000, an increase over the previous year of \$75,000. The Company has now entirely abolished 4 p.c. reserves, the whole of the reserves being on a 3½ and 3 p.c. basis, 66 per cent. of the business being on the latter basis. Also a new and more liberal scale of profits has been adopted for use in 1913. Applying to policies under existing rates, the new scale is on an average 30 per cent. in excess of estimates quoted when such business was written. Altogether the London Life's report is of a character to please both policyholders and staff, and furnishes excellent evidence of the admirable character of the management of Mr. John G. Richter, F.A.S., the Company's well-known manager and secretary.

The Department of Labour's index number of wholesale prices was slightly lower in January, standing at 136.2 as compared with 136.8 in December. Grains and fodders, dairy products, fruit and vegetables were lower, while animals and meats and fresh fish were upward. Winter wheat and barley also were upward. Hog products were easier. Iron and products of iron showed some advances. Compared with January, 1912, for which the index number was 133.2, a rise of three points is shown. The chief increases appear in the groups, animals and meats, fish, hides, leathers, boots and shoes, textiles, furs, metals and fuel, with decreases in grains and fodder, dairy products, fruits and vegetables.

THE ONTARIO INSURANCE ACT IN ITS RELATION TO FIRE INSURANCE.

(Mr. John H. Hunter, Barrister, Toronto, before the Insurance Institute of Toronto.)

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STATUTORY CONDITIONS.

Section 194 re-enacts the Statutory Conditions with a number of important changes and provides that the conditions as altered shall be deemed to be part of every contract in force in Ontario. By Section 247 of the Act this clause came into operation on the 1st of August, 1912, and some doubt has arisen as to the position of policies issued prior to that date and which, of course, have printed upon them the old Statutory Conditions. One opinion that has been advanced is that on August 1st, 1912, all the outstanding policies became subject to the new conditions and that, therefore, any variations printed upon them (including the co-insurance clause) cease to be binding by reason of not complying with the new Act. The other view is that the wording of the Statute is not sufficiently explicit to effect a change in vested rights under subsisting contracts and that, therefore, such policies must be construed with reference to the law as it stood prior to the passing of this Act. If the latter is the correct view there are likely to be serious cases of non-concurrence between the old and the new policy conditions.

One of the most apparent changes in the Statutory Conditions is the re-arrangement of the numbering and the separation of them into three divisions. The Statutory Conditions having been in force for about forty years, the old numbering of the clauses has become very familiar to underwriters and the public and it might have been supposed that a re-arrangement of the numbers would not have been undertaken without some very obvious advantage, more particularly as many of the other provinces have adopted similar conditions. As the Act now appears the improvement is not very apparent, inasmuch as there are no headings given for the divisions to indicate why the clauses have been grouped as at present. The revisers of the Act appear to have started out with the intention of acting on a suggestion made to them of arranging the clauses under three convenient titles, such as—First: Conditions partially or wholly avoiding the insurance or requiring notice to the company. Second: General conditions. Third: Conditions applicable in case of loss. After having regrouped the conditions, however, the revisers seem to have decided to omit the headings and none appear in the Act.

CANCELLATION.

Among the more striking changes in the conditions themselves the following may be mentioned: Under the old conditions, the provisions as to cancellation were unsatisfactory in that it was apparently necessary to tender a return premium in all cases where the company wished to be relieved of a risk (Old Conditions 3 and 19). In many instances when a company desired to cancel, the assured had not actually paid any premium at all, but, nevertheless, a doubt existed as to whether cancellation was complete unless accompanied in every instance by a tender of return premium.

This question seems to be set at rest now by the