PHOENIX FIRE ASSURANCE COMPANY.

First *founded* in 1680 as "The Fire Office," and, a century later, *established* as the "Phoenix Fire Office." What a wealth of interesting information the archives of this the oldest joint stock insurance company in the world must contain ! During such a long period, its successive managers must have passed through periods of depression and seasons of prosperity. Yet the history of this patriarch of insurance corporations, at least for the present generation, has been marked be steady adherence to the principles of cautious management. The policy pursued has been not to do as much business as possible, but only such as could be transacted on a sound commercial basis, and commended for its safety. By sticking to this system, the company has gained a reputation in accordance with its age, and to hold a policy in the Phoenix is almost as pleasant as the possession of a share therein.

The annual report, published on another page, is a clear and satisfactory presentation of the position of the company, and well calculated to please the fortunate shareholders.

The net premiums received last year were $5,667-475, and the expenses and losses amounted to $5,-188,385.

The result of the year's working, including interest and balance brought forward from last year, and allowing for interim dividend and after placing $50,000 to investment reserve, leaves a balance to the credit of Profit and Loss of $1,144,155, out of which a further dividend of $4.75 per share will be paid.

The dividend per share for the year is $7.00. The capital of this old company is $13,444,000, consisting of 53,776 shares ($250 each), of which $25 is paid-up.

The funds of the company at the close of 1898 amounted to $7,774,495, an increase since 1897 of $214,815.

Messrs. Paterson & Son, of this city, have the honor to represent the Phoenix in the capacity of General Agents for Canada, and the company's interests are safe in their hands.

MANCHESTER FIRE ASSURANCE COMPANY.

The Manchester Fire Assurance Company, with the close of the year 1898, completed an existence of three quarters of a century, and at the meeting of shareholders on the 11th inst. the 75th annual report of the directors was submitted. In pursuance of its policy of acquiring by amalgamation, when found desirable, the business of other companies, the Manchester has, during the twelve months covered by the report under review, obtained possession of the Queensland Mutual Insurance Company of Brisbane, and the results are stated by the directors to have been satisfactory, although the conditions of Fire business were generally unfavorable, both at home and abroad.

The net premiums for the year amounted to $4,-156,085; interest and dividends, $131,280; and profit on securities realized $11,075, making a total income of $4,298,440. The losses paid, including provision for all unsettled claims, absorbed $2,625,880 (say 63.2 per cent.), and the expenses in conducting the business of the year amounted to $1,468,095, leaving a balance to be carried to the Funds of $204,460. This amount was augmented by the increased value of "American" funds to the extent of $18,490, thus making the total amount to be disposed of $222,950.

Dividends and a bonus, amounting together to 15 per cent. for the year on the paid-up capital of $1,-000,000, disposed of $150,000, interest payments on bonds and cancellations of same with amount written off business purchase account required $55,905, leaving as an addition to the funds for the year $17,045.

Although the directors of the Manchester see fit to express regret that the business of the year was not more favorable, they ought to derive satisfaction from the above figures, representing the results of twelve months fraught with much disaster to those engaged in fire underwriting. The capital accounts and the reserve funds of the company now stand at $4,026,-500, an increase in five years of $705,585. With such evidence of progress to exhibit to interested shareholders, a board of directors can bear with equanimity the "generally unfavorable" conditions of business during such a year as 1898, and are fully warranted in acknowledging the services rendered by their representatives "at home and abroad," among whom Mr. James Boomer is the vigilant and active manager for Canada.

BASIS OF GOVERNMENT VALUATION OF LIFE POLICIES.

Important Measure Introduced in Parliament to Change the Basis Rate from 4 1-2 p.c. to 3 1-2 p.c.

A matter of vital importance to the Life Assurance Companies has been introduced by the Minister of Finance, at the instance of the Superintendent of Insurance, under the heading of "A Bill to further amend the Insurance Act." It is proposed to change the rate of interest from 4 1-2 per cent. to 3 1-2 per cent. in computing the necessary reserves of Life Companies. The 3 1-2 per cent. basis shall apply to all new business after the 1st of January, 1900, but a reasonable period will be allowed to elapse before the Act shall become operative, as far as existing business is concerned.

The Minister of Finance in introducing the Bill said:—

The chief purpose of this bill relates to the rate of interest which it is assumed will be earned by insurance companies on their reserved funds. Under the present law the assumption is that insurance companies can invest their moneys to realize 4 1-2 per cent., and the computation of safety for policyholders is based upon that rate of interest. It is hardly necessary for me to remind the House that the tendency for a number of years has been towards a lower rate of interest, and insurance companies find now that they cannot obtain investments which will realize that rate. If they fail to realize the rate of interest they fail to come up to the standard, and no longer can guarantee