

A COMPARISON OF LIFE COMPANIES' ASSETS.

The subjoined statistics showing the methods of investment used by life offices in three countries are taken in the case of the Australasian and British figures from an interesting paper on the subject of the investments of Australasian life offices read by Mr. A. T. Anderson before the Insurance Institute of New South Wales recently, while the Canadian figures are summarised from THE CHRONICLE'S own statistical records. It will be noticed that the percentages in the Canadian table are worked out upon a slightly different basis from those used in the Australasian and British tables. One hundred per cent., in the case of the Canadian table is equal to the whole of the companies' *invested* assets; i.e., cash, interest, etc. due and accrued, outstanding and deferred premiums and other assets are excluded from the compilation. The invested assets of the Canadian companies represent over 90 per cent. of their total assets.

A comparison of these figures shows some interesting differences in the practise of the companies in the three countries. In the case of the Canadian companies, in 1890 one half of their invested assets

was placed in mortgages, a little over one quarter in bonds, debentures and stocks, while the remainder was fairly equally divided between real estate owned, loans on collaterals and loans on mortgages. By 1911, there had been a very considerable change in proportions. Loans on real estate then represented only 35 p.c. instead of one-half of the companies' *invested* assets; bonds, debentures, and stocks are nearly one-half instead of being but little above a quarter; the proportion of both real estate owned and of loans on collaterals has appreciably shrunk, while loans on policies have expanded to above one-eighth of the whole—perhaps owing to the more extravagant habits of policyholders, or their predilection for real estate and Stock Exchange speculation.

Regarding the companies' loans on mortgages, it is interesting to note, that these reached their lowest proportion to the companies' entire assets about 1902. In more recent years, the practice of placing very large sums of life insurance funds in western mortgages has had the effect of sending up the proportion considerably. As we showed in the article dealing with this subject which appeared in our issue of June 28 last, over 55 per cent. of the

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	Amount.		Percentage.	
	1890.	1911.	1890.	1911.
Real Estate owned	\$1,518,834	\$ 7,945,157	7.98	4.44
Loans on Real Estate	9,447,983	63,444,248	49.66	35.42
Loans on Collaterals	1,383,753	2,389,178	7.27	1.33
Loans on Policies, etc.	1,716,561	22,896,068	9.02	12.78
Bonds and debentures held	4,957,779*	68,099,271	26.06*	38.02
Stocks held		14,328,468	8.00
Totals (unadjusted)	\$19,024,909	\$179,102,392		

*These figures include stocks.

ASSETS OF AUSTRALASIAN LIFE OFFICES.

	Amount.		Percentage.	
	1890.	1910.	1890.	1910.
Mortgages	£9,860,785	£22,116,077	55.9	43.2
Loans on Policies and Personal Security	3,000,580	7,262,059	17.0	14.2
Government and Municipal Securities	1,393,667	15,163,020	7.9	29.9
Reversionary and Life Interests and Loans on Reversionary Interests		536,427	...	1.1
Shares	128,313	106,274
Cash in hand, on Current Account, and on Fixed Deposit	860,794	1,548,094	4.9	3.0
Freehold and Leasehold Property	1,849,557	2,689,168	10.5	5.3
Properties Acquired by Foreclosure and in Possession		433,661
Sundries	543,073	1,292,629	3.1	2.5
	£17,636,769	£51,147,409		

ASSETS OF BRITISH LIFE OFFICES.

	Amount.		Percentage.	
	1890.	1909.	1890.	1909.
Mortgages	£78,806,268	£98,342,488	40.5	24.5
Loans on Policies and Personal Security	10,160,591	25,596,578	5.2	6.4
Loans on Policies	21,391,793	40,313,918	11.0	10.1
British Government Securities	5,703,832	5,395,717	2.9	1.3
Indian and Colonial Government Securities	12,757,092	17,877,256	6.6	4.5
Foreign Government Securities	3,539,651	15,976,789	1.8	4.0
Debentures	18,934,268	92,582,483	9.7	23.1
Shares and Stocks	12,965,377	42,641,059	6.7	10.6
Land and House Property and Ground Rents	12,091,861	32,977,911	6.2	8.2
Life Interests and Reversions	8,533,449	10,142,920	1.8	2.5
Cash, Deposits, etc.	8,363,853	6,685,924	4.3	1.7
Sundries	6,527,672	12,410,036	3.3	3.1
	£194,775,707	£400,943,079		