

LIFE COMPANIES' INTEREST EARNINGS.

Space did not permit comment in our last issue upon the interest earnings of the British and American life companies operating in the Canadian field, whose figures were included in THE CHRONICLE'S annual interest earnings tabulation. In the case of the British life companies operating in Canada, with the exception of the Royal, the form of whose balance sheet precludes calculations on the lines followed by THE CHRONICLE, the 1915 rate of interest was 4.52 per cent. compared with 4.42 in 1914, 4.15 in 1913 and 4.10 in 1912. The figures thus reflect the rise in the rate of interest which has been in progress for some years and has been accentuated through the enormous borrowings caused by the war. The British life companies have invested immense sums in the war loans of Great Britain, the Dominions and the Allies, and these loans, bearing a comparatively high rate of interest, have undoubtedly had an important effect quite lately in tending to increase the average return from investments received by the British companies. Another important influence in this connection is the drastic writing down in values which has been necessary. Methods of dealing with this necessity vary somewhat in the case of different companies. While some have maintained and enlarged investment reserve funds of very considerable dimensions, other offices have simply taken the straight course of writing down all securities to market value at the close of the financial year. To some extent, of course, the rise in the rate of interest earned by the British companies has been offset by the rise in the British income tax. But the rise in interest rate has been at all events sufficient to permit many of the British offices to revise their annuity rates in favor of the annuitant and in some cases to reduce their premium rates to policyholders. Almost uniformly, the British companies employ an extremely low valuation interest rate, and in one or two cases since the war broke out this has been slightly raised.

In the case of the American companies operating in Canada, the interest rate for 1915 was 4.84 per cent., compared with 4.76 per cent. in 1914, 4.80 per cent. in 1913 and 4.69 per cent. in 1912. It is noted by American authorities that life companies in the States have shown an appreciable rise in their earning power since about 1902. This movement will doubtless be continued.

INSURANCE CONTRACTS AND THE BRITISH BLACK LISTS.

British official statements indicate that contracts by British underwriters with foreign firms now placed on the black list may be carried out, under license, when entered into prior to the listing of the foreign firm, but no new contracts with those on the black list must be entered into.

PERSONALS.

The many insurance friends and acquaintances of Col. W. O. H. Dodds, of Montreal, are gratified to learn of the further recognition of his services at the Front by his recent promotion to the command of an infantry brigade at Bramshott.

Mr. Edwin Gissing, formerly of Toronto, who was well known in casualty insurance circles in Canada prior to his leaving for New York about a year ago, has recently been promoted assistant secretary of the London & Lancashire Indemnity Company of America.

Alderman Charles A. Hanson, chairman of the Gresham Life Assurance Society and well known in Montreal, has been returned unopposed as Member of Parliament for the Bodmin Division of Cornwall.

Captain W. J. Loudon, recently reported as wounded is a son of Mr. J. S. Loudon, assistant general manager of the Standard Bank. Captain Loudon, who is an engineer by profession served in the South African war, and left Canada for the present campaign with a Mounted Rifles unit.

Mr. O. E. Lane, vice-president of the Niagara Fire, has been elected president in succession to Mr. Harold Herrick, who is retiring, and Mr. Bernard M. Culver, assistant secretary at Hartford of the U. S. branches of the Scottish Union and National and State of Liverpool, has been appointed vice-president of the Niagara in succession to Mr. Lane. Both take office January 1.

At yesterday's annual meeting of the Canadian Bankers' Association held at Ottawa, Mr. George Burn, general manager of the Bank of Ottawa, who has been president of the Association for the past two years, declined re-election for health reasons. Mr. Edson L. Pease, managing director of the Royal Bank, was elected as Mr. Burn's successor.

English exchanges continue to tell of the heavy losses British insurance companies are sustaining in the loss of members of their staff on the field of battle. Recent deaths reported include Lance-Corporal F. S. Barnes, 6th King's Liverpool's (Royal); Lieutenant H. B. Goudie, 8th Cameron Highlanders (Royal); Pte. E. L. Chambers, London Rifle Brigade (Law Union & Rock); Private W. R. Southgate, London Scottish (Law Union & Rock); Private F. W. Wood, West Yorkshires (Law Union & Rock); Lieutenant S. H. Field, Royal Inniskilling Fusiliers (Atlas).

English journals announce that Mr. A. C. Thompson, general manager of the Prudential Assurance Company of London, England, has now lost both his sons in the cause of freedom. Lieutenant Harold Thompson, who was studying for the bar, was killed in May, 1915. Second Lieutenant Geoffrey Thompson, who, it is interesting to note, was a B.Sc. of McGill and an engineer by profession has been lately killed. "Nothing but the complete triumph of right," remarks the *Post Magazine*, "can adequately compensate for the loss of such lives."