

an increase of \$37,000. The chief feature of this report, as it is indeed of the London companies generally, is the care in choice of securities, evidenced by the very small loss sustained by bad loans. The year has been an excellent one for the deposit business of the company. At this rate of progress, the management will have reached, in another year, the bounds prescribed.

The Agricultural Loan and Savings Company, following the example of other companies in London and elsewhere, has made a fresh issue of shares to a small amount. Its report for 1884 exhibits increased deposits, more debenture money, procured both at home and abroad, and it placed an increased sum on mortgage. The result is very fair earnings (over 17 per cent. gross) out of which, after paying dividend, a sum is added to reserve.

Addition has been made from the earnings of the year (\$74,971) to the Rest of the People's Loan and Deposit Company to the extent of \$10,000 after the payment of seven per cent. dividend. The principal statistics of the company are now: paid capital, \$492,661; deposits \$471,055; new loans made \$163,334; loans repaid, \$238,908; total loans \$1,013,873. The earnings of the year, almost \$75,000, represent an average of $7\frac{1}{2}$ per cent. on the \$1,019,000 of loans, a good rate in these days of close competition.

MUTUAL AND OTHER FIRE INSURANCE COMPANIES.

Notwithstanding the mortality among a certain class of mutual insurance companies within the past few years, some of the old mutual companies whose business is on a safe and legitimate basis and whose dealings with their policy holders in regard to applications for insurance, and the settlement of fire losses, has been fair and honorable, are to-day doing a large and profitable business. This is the case with respect to the Waterloo Mutual Fire Insurance Company, as the figures of the last report show. It has issued during the past year 4,740 policies. The number in force at the close of the year was 10,738, covering no less than \$10,332,398.85 worth of property. The cash premiums last year were \$61,008, assessments, interest, &c., \$26,261, making the total cash income \$87,269.40. Against this the losses were \$52,789; salaries, commissions, rebates, agents' bonuses, &c., &c., \$25,662. Total expenditure thus \$78,451, showing a gain on the year's business of \$8,818. The above is the net income and expenditure of the year. Exclusive of interest on the company's investments, the losses of the company were only about 62 per cent of the gross income, a very good showing indeed, considering the increased "fire waste" of 1884. We are glad to see the agents' cash balance so small, a very trusty thermometer of good management, and we would like to see the "Bills Receivable" account lessened. This has in the past, been considered inseparable from the successful working of mutual fire insurance companies. But the sooner all insurance transactions are reduced to a cash basis the better. The balance of assets over all liabilities is shown to be \$146,786.63.

This we believe to be the only mutual fire company that belongs to the Canadian Fire Underwriters Association. All policies on the cash system are at tariff rates; and the amount of the premium notes is based on the cash premium, being four times the yearly cash premium for a three years' insurance. This leaves twenty-five per cent. of the premium note as security to the premium note policyholders, should the assessments be the same each year as the cash premium. We understand that the Waterloo collects twenty per cent. of the premium note, in advance in every case.

The Wellington Mutual is one of the purely mutual fire insurance companies in Ontario. For many years this company has furnished safe and cheap insurance. It confines its business to a comparatively small territory, and the majority of its policyholders are personally known either to the manager or to some of the directors of the company. It is very conservative, and stood out bravely against any change or innovation in the mode of assessments. The old plan was supposed to be the best—that of making a yearly assessment at the end of each year—which required the company to borrow money from the banks to meet their current losses and expenses. Last year, however, new light dissipated the prejudice in favor of that plan, and they adopted the system of assessing each policy at the end of its particular year. The mutual fire companies are indebted to Mr. Thomas M. Simons, at one time secretary of the Gore Mutual, now in the Insurance Department of this Province, for this invaluable improvement in the system of assessment. It will be noticed that the company's income last year was, from assessment, \$21,872.67; from premium account, \$7,237.28; from other sources \$303.46, total income \$29,413.31. The losses of the year amounted to \$14,715.73 being less than fifty per cent. of the gross premium. The largest loss by one fire was \$2,600, the smallest \$3.00. There were in all twenty-five losses, three of which originated from coal oil lamps, three from supposed incendiarism. The greater number were caused by defective flues, which carefulness on the part of the assured might have prevented. The company is to be congratulated on its new departure. There will be no more borrowing of money to pay losses or expenses. No vexatious assessments to be levied and collected.

The ninth annual meeting of the Mercantile Fire Insurance Company has been held. The regular increase of the company's business from year to year must be very satisfactory to the stockholders. During the past year 5,008 new and renewal policies were issued in strong real and personal property amounting to \$5,146,986; cash premiums amounted to \$79,032.34 and interest on investments to \$2,658.98; the total income was \$81,691.32. The sum paid for losses, \$38,790.85, was less than 50 per cent. of the gross premiums, or about 55 per cent. of the net premiums. Very few companies will be able to show as large a ratio of premiums to losses as does this company. We noticed last year that the re-insurance liability was omitted from the company's statement. It is given this year as \$32,710.60. This sum might be in-

cluded with the other three items of liabilities. It would not affect the result in any way. It is pleasing to observe that the result of the year's business has enabled the dividend to stockholders to be increased from 8 to 10 per cent. and an addition at the same time made to the surplus. It must be satisfactory to the company to find that their joining the Canadian Fire Underwriters' Association has not affected it injuriously as some people were inclined to believe. The increase of their premiums from \$60,198.37 in 1883 to \$79,032.34 in 1884, an increase of over thirty per cent. We observe among the assets some Bills Receivable. Perhaps the fact that the Mercantile is so near a neighbor of the Mutuals renders it difficult to avoid taking premium notes as they do. Still we shall be pleased to see this item removed.

—Lieutenant Gordon's report shows that Hudson's Bay is a very valuable fishing ground; but is he right in the notion that this great water can be treated as a close sea? To the inland fisheries of our own territory in that sea we have the common right which all nations similarly situated possess; but can we prevent other nations fishing in the great open sea called Hudson's Bay?

—Whatever may be the merits of the millers' petition, the worst possible solution of the question would be an increase in the duty on flour. Nothing could show in a more marked manner than such an increase the incapacity of the Minister of Finance. A bread tax at this time of day is a grievous discredit to the country; to increase it would be economic insanity. Why not lower, if it be impossible to abolish, the duty on wheat instead? Or must the farmer continue to be amused with the notion that protection is putting money into his pocket?

—There is surely a fallacy in the argument of Mr. Treasurer Ross that it is a considerable gain to make the interest on foreign indebtedness payable in Canada rather than in the creditor country. It costs something for the lender to collect and transfer the money to England, and this expense is taken into account when the loan is made. Part of the commission may possibly be saved but that is all; and it is notorious that lenders like to have loans and interest payable in the country where the lenders live. Any advantage in the other mode of paying must be nearly or entirely balanced by these considerations.

THE STANDARD BANK BUILDINGS.

That part of Wellington street which lies between Yonge and Bay streets in this city, already of late years become architecturally attractive, has received a noteworthy addition in the newly-erected building belonging to the Standard Bank of Canada. It has for some time been evident to the officials of this bank, even more than to the public, that more room was required for the proper accommodation of its growing business. And in May last the old brick building which stood on the west corner of Jordan and Wellington streets was pulled down, to give place to the handsome premises designed by Mr. David B. Dick, architect, of this city, which now adorns that corner.