

COMMERCIAL UNION ASSURANCE COMPANY.

We have before us the twenty-seventh annual report of the Directors of this prosperous and progressive company, exhibiting the usual clear record of the business for the year 1888, in its several branches,—Fire, Life and Marine, from which we take the following figures:—

FIRE BRANCH: Premium income, net £788,598, a continuous increase over previous years. Interest, fire fund, £22,361. The fire losses were £450,463, or 57.12 per cent. of premium income, against 57.74 the previous year. Fire Reserve Fund, which increased by the unusually large sum of £61,091, from the year's transactions, now stands at £708,678, an increase of £145,609 over the year 1885, and equal to about 90 per cent. of the premium income. The sum of £45,000 out of the fire premiums was carried to the shareholders' profit and loss account. The increase in fire premium income and in the fire funds of the company have been worthy of note. The following formula, at intervals of 3 years, will show a remarkable growth.

Year.	Net premiums.	Fire Fund.
1870.....	£127,000	£64,300
1873.....	333,048	149,154
1876.....	557,392	329,361
1879.....	637,887	480,085
1882.....	756,442	515,960
1885.....	767,165	563,069
1888.....	788,595	708,678

MARINE BRANCH: Premiums, net £196,864. Interest on Marine Fund £8,609. Marine losses, paid and unpaid £136,395. Carried to credit of profit and loss account £30,000, Marine fund £264,824, as against £252,414 in 1887.

LIFE BRANCH: Premiums, net £132,312, annuities and endowments £2,692, interest £46,282. Claims, Life annuities, endowments and surrenders £77,541, Life Fund £1,095,313, as against £1,070,065 in 1887.

PROFIT AND LOSS ACCOUNT: Balance from 1887, £41,682, to which are added, interest, not otherwise disposed of, from Fire Branch, from Life Branch, from Marine Branch, and shareholders' profits, in the aggregate £166,136, less sundry disbursements £93,211, of which the Dividends were £56,250, leaves balance to next year's account of £72,926.

The several FUNDS are as follow:

Capital paid-up.....	£250,000
General Reserve Fund.....	207,301
Fire Fund.....	708,678
Life Fund.....	1,095,313
Marine Fund.....	264,824
Profit and Loss, Credit Balance.....	72,926
Other Assets as per balance Sheet.....	159,753

Total Assets.....£2,758,795 15s. 10d.

The total cash assets of the company are £2,758,795-15s. 10d. or in Federal currency \$13,793,978, which for a company only in its 28th year, and starting with a paid-up capital of \$1,250,000, is something truly wonderful where the competition, as in all branches of underwriting, is so keen.

This admirable condition of the company with its heavy reserve funds for the respective branches, rendering it impregnable to attacks from any direction, is largely due to the practical skill and foresight of its managers, E. Roger

Owen, fire department; I. Carr Saunders, Marine Department, who is considered one of the best Marine Underwriters of the day; and Mr. Young, actuary in control of the life branch.

The Commercial Union has a thorough system of agencies throughout the world. It went to the United States in 1871, with assets of \$515,909, and an income for the first year of \$444,885, while in 1888 its assets there were \$2,807,874, and its income for that year was \$2,354,766, and it had at risk at the close of the year \$304,600,801.

It came to Canada in 1863, the second year after its organization. Its income in 1875, the first year of regular reports, was \$135,804, while in 1888 its fire income was \$286,903, and its assets in Canada \$262,530.

The Canadian managers of the company, Messrs. Evans & McGregor, are to be congratulated on the result of last year's business, the losses being only 48.43 per cent. of the premiums. We wish these gentlemen continued success.

THE ACTUARIAL SOCIETY OF EDINBURGH.

At the sixth meeting of the Actuarial Society of Edinburgh for the current session, held on Thursday, April 4th, a paper was read by Mr. Geo. C. Stenhouse, F. F. A., of the Scottish Widows Fund, on "the mortality among assured lives, viewed in relation to the sums at risk." There was a full attendance of members. The observations were based on the mortality experienced among 39,303 healthy male lives, who assured with the Scottish Widows' Fund between the years 1835 to 1884 both inclusive. These he divided into three classes, according as they were assured for: (1) sums to £500 inclusive; (2) over £500 to £3000 inclusive; (3) over £3000.

He then explained the various steps taken to ascertain the number exposed to the risk of mortality at each age, and the number of deaths. A series of tables were then given, in which the relative mortality in the three classes were compared. The following table shows some of the results:—

MORTALITY PER CENT.
Under Five Years. Over Five Years.

Current Ages.	Sums to £500	Over £500 to £3,000 inclusive	Sums over £3,000	Sums to £500	Over £500 to £3,000 inclusive	Sums over £3,000	Current Ages.
6—24	.4679	.1233	.0000	.9434	.2571	.0000	6—24
25—34	.4586	.3463	.2738	.7686	.5178	.4496	25—34
35—44	.6614	.5041	.1631	.9818	.8055	.6136	35—44
45—54	.8415	.6352	.9792	1.3582	1.1903	1.2764	45—54
55—64	2.0216	1.6520	3.1439	2.8166	2.5515	2.4857	55—64
65 and over	4.0134	4.1979	6.0606	6.6192	6.7472	6.3105	65 and over

It was shown that the fluctuations which the table shows in the case of the largest risks under five years in force was due to the small figures dealt with, and that these fluctuations to a great extent disappeared when larger groupings were taken.

The following were the conclusions arrived at:—

- (1) That all over the results were much more favorable than those shown in the Institute of Actuaries tables;
- (2) That the largest assurers appeared to be the best class of lives; and
- (3) That the larger the amount of the risk the better is the ratio of mortality.

The desirability, therefore, of endeavouring to obtain large assurances was advocated; but in obtaining these the writer urged that carefulness in the selection of risks—which the safety of an office largely depends—should not be sacrificed to secure amount.—*The Policy Holder, Manchester.*