

THE LAW UNION AND ROCK'S REPORT.

Possessing a business of inherent excellence, the result of a well-matured and choice connection, the Law Union & Rock Insurance Company, Limited, proceeds year by year quietly and steadily on its course. The results which are consistently secured in the fire department indicate the wisdom of its policy which, deliberately adopted in the first instance, has since been developed with skill and foresight. Since the year following the San Francisco conflagration, the annual premium income has not fluctuated more than \$75,000. In the same period of seven years only once has the loss ratio exceeded 50 per cent. of the premiums (and on that occasion the ratio was no more than 51.1 per cent.) while on two occasions the percentage has been below 40. With results of this satisfactory character consistently accruing, and with a prestige among its clients and the general public which a mere increase in size would add nothing to, the Law Union and Rock can be well satisfied to progress gently in regard to new developments. At the same time, the Company's completeness of organisation places it in position to take full advantage of any opportunities of new business of a high standard which may develop.

FIRE DEPARTMENT'S FAVORABLE YEAR.

The fire department enjoyed during 1914 a very satisfactory period of business. Fire premiums, after deduction of reinsurances amounted to \$1,230,006, an increase of about \$30,000 on the premiums of 1914. Losses were \$585,209, compared with \$564,526 in 1913, and giving the satisfactory ratio to the premium income of 47.58 per cent.—an increase of about one-half of one per cent. in comparison with the ratio of 1913. Expenses, including commission, were \$471,812, equal to 38.35 per cent. of the premium income, practically the same figure as in 1913. After the adjustment of the unexpired risk reserve at 40 per cent. of the premiums, which with the general fire reserve maintained at \$1,000,000 makes the total fire funds \$1,492,000, equal to over 120 per cent. of the year's premiums, there is carried to profit and loss from this account as a result of the year's operations an amount of \$220,355.

The accumulations of the Company have now placed it in a position of very great strength. In addition to the fire funds of \$1,492,000, there is a general reserve, being the balance on the profit and loss account of \$1,315,968, so that the total security for fire policyholders, apart from paid-up capital, amounts to \$2,807,968, equal to 220 per cent. of the premium income of last year. Such a position is unexceptionable.

OTHER DEPARTMENTS' GOOD RECORD.

In other departments, also, the Law Union & Rock last year achieved quite favorable results. The conservatism of management which marks the fire business is seen also in these departments with the result of satisfactory profits. Last year's premium income of the Employers' Liability department amounted to \$179,516, a slight increase on 1913, and outgoings were \$121,648, a decrease from those of 1913, as in turn the latter were from those of 1912. The reserve for unexpired risks having been adjusted to 40 per cent. of premiums, a contribution of \$51,200 is made to profit and loss account.

Accident business produced an income of \$81,360,

claims, commission, expenses and bonus to policyholders absorbing \$58,477. A sum of \$24,054 was carried to profit and loss after adjustment of reserve for unexpired risks at 40 per cent. of premiums.

As in the case of the fire department, these minor activities of the Law Union & Rock have, of course, the advantage of the security afforded by the Company's accumulated profit and loss balance. Indeed, if the incomes of the three departments be taken together, and compared with the departmental reserves plus the profit and loss balance, it will be found that the combined resources are in the proportion of over 200 per cent. of last year's incomes.

THE LAW UNION AND ROCK IN CANADA.

The Law Union & Rock commenced business in Canada in 1899, and has achieved a position commensurate with its prestige. Last year Canadian fire premiums totalled \$280,000, showing the substantial increase over 1913 of over \$40,000. Losses incurred were \$167,354. Net premiums in the Accident and Liability departments in Canada last year totalled over \$90,000.

The Law Union and Rock is one of those British insurance organisations having very large Canadian investment interests, its total investments in Canada being over \$12,500,000. Under Mr. J. E. E. Dickson's skilful management, it may be fairly anticipated, that the Law Union & Rock will continue to hold in the Canadian field that substantial and honoured position which it now occupies both throughout the Dominion and elsewhere.

HAMILTON CITY'S FIRE INSURANCE.

A meeting of those authorised to deal with the question of the City of Hamilton's fire insurance was held last week, but in view of the poor attendance, the question of municipal self-insurance, which has been lately dickered with by the Hamilton authorities was left over for a time. The only point on which action was taken was in connection with the insurance on all municipal buildings between now and the time the city starts a fund of its own, if it ever does. It was unanimously decided by those present to get in touch with Mr. J. A. Robertson, secretary of the Canadian Fire Underwriters' Association, and ask him to send an inspector to Hamilton to go over the property to be insured and later give a flat rate on it all, the business to be divided among Canadian companies. This suggestion was made by Ald. Chas. Peebles, who proposed early this year to revise the present scheme of insurance in an effort to cut down expenses.

Mayor Walters desired a scheme whereby insurance should be renewable yearly and not triennially. Others present, however, pointed out that higher rates would have to be paid for annual contracts. It seems a simple enough matter of book-keeping to charge each year with its proportion of premiums under a three-year contract.

BURDENSOME TAXATION.

Insurance men who have got into the habit of thinking they are hardly done by in the matter of taxation in Canada should look at Connecticut and be thankful. In Connecticut last year the taxes paid by the insurance companies to the State amounted to nearly 21 p.c. of their Connecticut income. And some of the local legislators want still more.