GUARDIAN ASSURANCE COMPANY, LTD.

In the business of fire insurance, the reverse occurs of the natural phenomena which is described in the saying, "The darkest hour is that before the dawn," for a year or two of favourable experiences are now and again followed by disasters. Last year was a case in point, it was an especially bright year for fire insurance, but within a few weeks of the close of 1903 there came the Baltimore, Rochester and Toronto conflagrations, by which a considerable portion of the special benefits derived from the good business in preceding year were swept away, and a number of minor companies overwhelmed.

The Guardian Assurance Company was one of those that did an unusually favourable business last year. The fire and burglary premiums, after deducting reinsurances, amounted to $2,376,645, as against $2,256,610 in 1902, the increase being $120,030. The losses, allowing for reinsurances, were $1,131,415, as compared with $1,190,785, showing a reduction of $59,370. The ratio of net losses to net premiums last year was 47.6 per cent., which is materially below the average. If to the amount of losses, $1,131,415 is added 30 per cent of the premiums, $712,993, which would be required for expenses, these two sums would make a total outgo of $1,844,408, against a premium income of $2,376,645 which exceeds the aggregate of losses and **expenses by** $532,237.

As a result of the year's operations, the premium reserve fund to cover unexpired policies was raised close of 1903, to $1,050,000; and the fire general reserve fund $2,125,000. These funds constitute an aggregate fund of $3,175,000 to provide for fire claims, apart from the proprietors' capital of $10,000,000 subscribed, of which $5,000,000 is paid up.

The total assets of the Guardian Assurance Company amount to $26,070,560. Such a financial condition is one of exceptional strength, a strength, indeed, which is in no danger of being materially weakened by any conflagrations, or epidemics of fire that are conceivably probable.

The Canadian business of this old and most substantial company last year, had a net cash income for premiums, of $480.256, and the net amount of losses incurred was $277,569, the proportion to premiums being the moderate ratio of 56.7 per cent. The business under the management of Mr. H. M. Lambert is steadily developing, as property owners are becoming more and more alive to the advantages of having insurance placed in a company which, not only commands the fullest confidence, but, which meets all claims promptly and liberally.

EDWARD ATKINSON ON CONFLAGRATIONS.

HE STATES THAT PROPRIETORS AND OCCUPANTS ARE RESPONSIBLE.

In our last issue we give the pith of a letter written by Mr. Ed. Atkinson, the well-known writer on insurance, in reply to an invitation sent him from Toronto, to deliver an address on the fire insurance situation as developed by the conflagration in that city. The letter of invitation stated that, "the members of the Manufacturers' Association are much worked up regarding the action of the insurance companies, and they consider the increase in rates quite unwarranted."

The reply of Mr. Atkinson must have astonished those by whom he was invited. Instead of sympathising with their grievances against the insurance companies he writes to say:—

"The recent conflagrations are the normal results of the continued neglect of the owners and occupants of buildings in the congested districts of cities to take suitable measures for the prevention of fire by adopting safer methods of construction, and suitable care in occupancy. Conflagrations are the normal results, long anticipated, recurring with increasing frequency, as they will continue to recur, until owners and occupants of buildings give even a moderate attention to their own duty and to their own property."

Mr. Atkinson goes on to speak of the larger part of buildings being, "examples of the art of combustible architecture, which seems to have been conducted as if owner, architect and builder alike were providing for the largest possible loss by fire from the least and possible cause, and in most cases the occupancy is marked by neglect of the commonest precautions for safety."

After reading this lesson to those who complain against increased rates, Mr. Atkinson winds up by declaring that, "*heavy losses have of necessity advanced the rates of premium*, and the penalty has fallen where it belongs—on the owners and occupants of property in the congested districts of cities." To these remarks no exception can be taken; they are based upon facts, and have especial weight as the utterance of a very able insurance expert of long experience.

THE SOVEREIGN BANK OF CANADA.

The Sovereign Bank held its second annual meeting at Toronto on 14th inst., at which there was a large attendance of shareholders. The report and statement presented were highly gratifying. The business in the past year, between 30th April, 1903, and 30th April, 1904, developed, probably beyond general expectations as is shown by the following comparisons:—

	April, 1904.	April, 1903.	Increase.
	$	$	$
Circulation............	1,091,865	859,375	232,490
Deposits...............	5,691,453	3,252,919	2,438,534
Current loans and discounts...............	4,753,362	2,706,960	2,046,402
Immediately available assets...............	3,782,448	3,019,492	762,956
Total assets............	8,604,074	5,775,632	2,828,442
Capital paid up.........	1,300,000	1,293,876	6,124
Reserve fund...........	350,000	323,008	26,992