

THE MOTOR UNION INSURANCE COMPANY, LTD.

In directing attention to the summary of the results of the Motor Union for 1919 advertised on another page of this issue, it may be worth commenting on the point that the chief reference to this Company's operations in our issue of the 6th August did not deal as fully with the case as might have been desired. Our previous notes dealt merely with the temporary adverse conditions in the Automobile Department, which was found by all the Companies transacting this class of business in England to have proved profitless during the abnormal conditions of the post-war period.

Taking its business as a whole, the working results of the Motor Union for 1919 were eminently satisfactory. All departments showed a gratifying increase in premium income with the exception of the Marine Department, which of course experienced the cessation of the substantial War Risks premiums. Even with this falling off, it may be noted in passing that the Marine Department was able to show a profit of over £53,000. The total premium income in all departments amounted to £1,540,121 while the revenue from interests, etc., provided an additional £93,365. The balance remaining at credit of the Profit and Loss Account was £152,627, and the total assets recorded at the end of 1919 were £2,454,936. This last mentioned sum has since been further increased by the issue of the balance of the Ordinary Share capital, viz: 100,000 shares of £1 each, issued at a premium of £5 per share, so that the Capital security was increased by £100,000 and the General Reserve by no less than £500,000. The actual financial strength is consequently even better than the excellent showing recorded in the Company's published statement.

While the Motor Union, has so far confined its operations in Canada to Automobile (including fire risk) insurance; the Company transacts practically every form of insurance in Great Britain, Mr. Frederick Williams, Canadian Manager has built up a strong organization during the past year, and the Company is now well known in Canada.

THE SUGAR CRISIS

The economic condition in Cuba in so far as produced by the sugar situation is more than regrettable and represents a state of things which had already been noted in such items as hemp, rubber, silk and leather. During the war there was a marking up of all these articles partly as a result of unrestrained and extravagant purchasing and partly on the strength of an alleged scarcity. The

result was excessive speculation and an apparently confirmed belief in continued high prices, which was reflected in the statement, for instance, of some food men that the Government ought to have gone on buying and controlling the Cuban crop for at least another year.

This neglected the fact that it was Government control and interference that was the cause of the abnormal conditions and that what was needed was the withdrawal of this sort of "stabilization." A painful period of readjustment must have been expected to follow the change, and it is, in fact, now here. Not only in Cuba but in other sugar growing countries, such as the East Indies, Hawaii and the Philippines, where there has been artificial advance of prices and overinvestment, the reaction will be severe, and those who have become involved in sugar lands, stocks or supplies must now bear the brunt of the reductions of value, since the consumer will no longer allow himself to be the scapegoat. That there will be serious banking problems, as is usually the case in all regions whose industry is based on a single crop or line of business, is scarcely to be doubted.

There is a retributive justice in the sugar situation as it now exists. Ruthless profiteering was practiced by growers and distributors in many parts of the world in the effort to extract the last penny of profit. The Government afforded a remote remedy by its price fixing plan, but the community was glad to see the system ended because of its inefficiency and lack of sincerity, and as soon as it was done away with profiteering broke out in unrestrained ways. Some of the hardship which was inflicted on the consumer may now have to be borne in his turn by the planter or broker, and the question may well be raised whether in the long run there is ever any gain even to the trade from a general debauch of speculation and high prices in any commodity.

—*New York Journal of Commerce.*

Sun Life of Canada Joins Life Presidents Association

The Association of Life Insurance Presidents has unanimously elected the Sun Life Assurance Company of Canada, of Montreal, to membership in the association, bringing the total of members up to forty-five companies. Of these thirty-seven are domiciled in the United States and eight in Canada.

The Sun Life was organized in 1865 and commenced business in May, 1871. Its president and managing director is T. B. Macaulay. Its admitted assets as of December 31, 1919, were \$105,711,468 and its insurance in force on that date amounted to \$415,873,787.