

Italy	11,513,000
Portugal	8,134,000
France	7,071,000
Germany	6,061,000
Miscellaneous European Countries	36,319,000
Japan	53,705,000
China	26,809,000
Miscellaneous Foreign Countries	61,907,000

Total, Foreign Countries. . . £1,637,684,000

Grand Total, All Countries, £3,191,836,000

This total is distributed over the various continents as follows:—

Americas	£1,700,000,000	53 p.c.
Asia	500,000,000	16 p.c.
Africa	455,000,000	14 p.c.
Australasia	387,000,000	12 p.c.
Europe	150,000,000	5 p.c.
Total	£3,192,000,000	100 p.c.

In conclusion, says Mr. Paish, I would ask you to note that this great sum of £3,192,000,000 of capital which Great Britain has supplied to the nations is not the total sum her people are employing in other lands. I have taken no account of the great sum of what is termed private capital employed abroad by the British people in a variety of ways, such as the purchase of land, loans on mortgage, deposits in banks, branch manufacturing, mercantile, and trade undertakings, etc. If allowance be made, on the one hand, for the foreign capital employed in British companies both at home and abroad and in British loans, and, on the other, for the vast amount of private capital which the British people have placed abroad, I think the net total of our investments in other lands would be not much short of £3,500,000,000. But inasmuch as the amount of the private capital employed abroad cannot be ascertained I have ignored it, and have confined myself to that portion of our capital investments in other lands for which there is documentary evidence.

MR. RYAN'S ADDRESS TO THE INSTITUTE OF ACTUARIES.

The newly-elected President of the Institute of Actuaries, Mr. G. H. Ryan, the distinguished General Manager of the Phoenix Assurance Company, of London, recently delivered his presidential address in London. The interest and importance to those engaged in insurance work, of the annual presidential addresses delivered at the Institute of Actuaries, are well known, and Mr. Ryan's stimulating, suggestive and informing utterance maintains the high standard set by his predecessors. Of many interesting passages, which suggest themselves for quotation as having a more than an English interest, the following have been chosen, that on the investments of life offices, in view of recent articles which have appeared on this subject in THE CHRONICLE,* and the reference to the Canadian Insurance Act as

particularly interesting in view of Mr. Ryan's eminent position in the British insurance world.

I. LIFE OFFICE INVESTMENTS.

Among the most notable features in the evolution of life assurance during the past sixty years are some which may be briefly referred to. Perhaps first in significance is the growth of the relative importance of the investment element as compared with the trading element in a Life Office. It will be obvious that in the early days the chief necessity is the active and sound pursuit of its commercial functions: the attraction of business, the organisation of connections, the fixing of prudent scales of rates, and so on. Success in this direction leads naturally, owing to the character of the business, to the accumulation of funds, and with this commence the responsibilities of investment, calling into requisition new powers on the part of the management. For a long time, finance remained an important but subordinate consideration with those responsible for the management of Life Offices—a minor consequence of its paramount trading function. But now, with the vast possessions of our leading companies, who can say that finance any longer plays a secondary part? The care of these large funds involves responsibilities and qualities of a very high order, special training, marked aptitude, a sound method of analysing and vigilantly watching securities, and a separate staff of experienced assistants who (with the accountancy staff) will sometimes be found to equal in number the purely "business" staff of an office. In sum total, the funds of our Life Offices (or Departments) give them great weight in the world of finance, and not only because of their mere magnitude, but also for the ability and prudence with which they are administered. And greater importance among the companies for their mutual protection and assistance as regards investments (which I know to be in the minds of some managers) can be devised. This steady and growing influence in matters purely financial may be fairly considered a conspicuous feature of our times.

And now it may not be out of place to interject a few observations on some financial points suggested by the foregoing line of thought. I sometimes doubt whether sufficient attention is paid to the distribution of the investments held by a Life Office; and this, if a fact, would be an almost inexcusable oversight on the part of persons whose main principle in business is the wide spread of their risks. Care should be taken to see that the investments are distributed, with due regard to relative soundness and general merit, over the various parts of the world, over the different branches of trade and industry, and even in the inner groups—such as American Railways, for example—over the chief representative companies. Thus, I would not advocate a disproportionately large amount being invested in a single colony, or in a single industry like gas or water, or in a single Argentine or American railway, even though the particular security in either case was of the highest character. Our point of view is not identical with that of the stockbroker who examines and advises upon any investment which happens to be on offer at the moment. Frequent consideration of our list should bring under notice not only the securities we hold, but those we do not hold. Having determined what are the most desirable securities in a given class, our new investments in that class should be selected with an eye to as comprehensive a distribution as is practicable. I have myself been surprised to see how casually the investments in a given class appear to have been made, when the sums placed in the individual securities are tabulated. I advocate close attention being paid to this point, with the object of securing a prudent distribution, regarded geographically and commercially, of a company's investments. Again it always appears to me prudent that some standard should be set up—though not necessarily adhered to inflexibly at all times and under all conditions—in regard to the respective ratios of mortgages, stock exchange securities, and reversions, in a Company's balance sheet. An examination of the assets of different Companies shows a surprising difference in the various ratios of these several groups; and, though here and there we may know it to be the result of a definite policy, as a rule it is probably a haphazard arrangement, depending more upon the openings for investment that chance to arise than upon any pre-arranged basis of distribution.

* Interest earnings of Companies doing Business in Canada in 1909, December 16, p. 1813; Investments of British Life Companies, November 4, p. 1599; The Assets of Canadian Life Companies, September 9, p. 1307; Insurance Companies and the Interest Rate, August 19, p. 1203.