

FEDERAL LIFE ASSURANCE COMPANY.

Year by year the income of the Federal Life Assurance Company shows a gratifying increase. The 1909 total of \$893,003 comprised \$718,928 from premiums and annuity payments, and \$174,075 from interest, rents and profits. Assets of the company increased by \$330,000 during the twelve-month, the year-end total being practically \$3,645,000. Including the guaranteed capital, the total security for policyholders amounts to \$4,513,950; liabilities for reserves and all outstanding claims (including \$20,000 set aside as a special addition to policy reserves) total \$3,351,254—thus leaving a margin of \$1,162,696. Exclusive of uncalled guarantee capital, the surplus to policyholders is \$292,696.

The new business written during 1909 amounted to well over \$3,500,000—showing a considerable advance over the preceding year's total. Death claims amounted to about \$200,000. Including cash dividends and dividends applied to the reduction of premiums, the total payments to policyholders were about \$350,000. The aggregate of the company's assurances in force is now well over \$21,000,000.

The president and managing director of the company, Mr. David Dexter, in presenting his report at the recent annual meeting at Hamilton, Ont., pointed out that it was the policy of the management to confine expenses to a reasonable limit, consistent with due efforts for new business.

Reference was also made to the close attention which is constantly paid to the distribution of the company's assets—these being invested in first-class bonds, mortgage securities and policy loans amply secured by reserves.

All the retiring directors were re-elected as follows: M. H. Aikins, M.D., David Dexter, Hon. Geo. E. Foster, Hon. J. M. Gibson, T. C. Haslett, K.C., Lieut.-Col. Wm. Kerns, John G. Scott, A. E. Russ, M.A., John Wakefield, D.D., and A. Woolverton, M.D.

At a subsequent meeting of the directors the following officers were re-elected: David Dexter, president and managing director; Lieut.-Col. Wm. Kerns and T. C. Haslett, K.C., vice-presidents; Dr. A. Woolverton, medical director.

During the past two months most encouraging reports as to new business have reached head office from the branches throughout Canada. In Montreal and vicinity the company's business is well taken care of by the district manager, Mr. H. Russel Popham.

EQUITY FIRE INSURANCE COMPANY.

In making the twelfth annual statement to the shareholders, the directors of the Equity Fire Insurance Company draw attention to the past year's increase in premium income—the gross amount for the year being \$328,703, which with interest earnings and payments on capital stock makes a total gross income of \$392,493. An underwriting profit of \$62,814 is reported for the year. The sum of \$63,613 was placed to reserve.

Including uncalled capital of \$212,400, the total

security to policyholders is given at \$488,413. The company last year took what seemed the wise course of closing out its United States business.

It will be remembered that in May last the company obtained from Dominion Parliament a special bill incorporating the Equity Fire Insurance Company of Canada. The directors report, however, that as yet the response to the call upon the shareholders and the sale of new stock has not been sufficient to enable reorganization under Dominion charter. It is hoped by the management that the past year's underwriting experience (fire losses being only \$86,315) will encourage a desire for investment by the public in the capital shares of the new company. Hon. Thomas Crawford, of Toronto, is president of the company, and Mr. Wm. Greenwood Brown, manager.

**Our London Letter.****THE GOVERNMENT AND FINANCE.**

Public Loans that may Follow the Passing of the Budget—Reduced Bank Rate Helped General Market—Electrification of London's Suburban Lines—Canadian Shipping Rumours—Insurance Items—Special Correspondence of THE CHRONICLE for Week Ending February 12.

The week in the London markets is ending better than it began; thanks partly to the reduction in the bank rate, which, although the move was generally expected and was indeed forced upon the directors by the overflowing condition of Lombard Street, has given its wonted stimulus to optimistic sentiment regarding the future, and partly to a belief that Mr. Asquith has hardened his heart against the counsels of the hot-heads among his own party, who, altogether oblivious of the tangled state of the national finances have been clamouring for action of some sort against the House of Lords as the first work of the new Parliament. The opinion is pretty generally held that the Budget—expurgated or unexpurgated—will be taken first, although we have no official intimation upon the point, and the mild rumours about political developments which the newspapers are throwing about merely make the darkness of uncertainty more impenetrable. It may be noted, however, that the talk regarding a big naval loan is still in circulation, and that, in view of the decline in the revenue, the huge floating debt, and the important operations due shortly with regard to the conversion of the National War Loan and the flotation of Irish land issues, Mr. Lloyd George is being persistently urged—and not entirely by those who are on the opposite political side to him—to think a little less for a short time about social reform and a little more about finance. There is certainly plenty to think about.

The General Outlook.

The monetary outlook is certainly fairly favourable, although cautious people have a suspicion that things may not look so rosy when the tax-gatherer gets into a hurried stride and makes up