

LONDON MUTUAL FIRE INSURANCE COMPANY

The thirty-eighth annual meeting of the London Mutual Fire Insurance Company was held in the Company's offices, London, Ont., on 2nd inst., with the President, Capt. F. Robson, in the chair, Mr. D. C. Macdonald acting as secretary, and the following members in attendance:—A. Campbell, Appin; J. Geary, city; Sheriff Brown, St. Thomas; C. C. Hodgins, Lucan; J. W. Cameron, Strathroy; J. H. Marshall, city; R. Gibson, Delaware; R. McEwen, Byron; L. Leitch, city; D. Weismiller, Kingston; C. Macdonald and J. Overell, city; D. McMillan, Hyde Park; F. Marshall, A. E. Pratt, A. Burwell and A. Woolley, city; W. F. Denke, Belleville; G. Roche, St. Thomas; D. S. Butterfield, Norwich; A. Cameron and Thos. Brown, city; P. Elson, London Township; J. Morgan, Kerwood; E. Ironsides, Edonton, F. Burwell, E. R. Cameron, and Thos. Green, city. After the adoption of the minutes, the various reports were read, showing that 1897 had been the most successful year in the history of the company. The Board of Directors congratulated the members on the business done in the face of the keenest competition. The total number of policies issued in the year was 16,821, of which 14,883 covered farm and dwelling property, and 1,938 were on general risks. The farm business covered property to the amount of \$16,515,919.33, and the general risks \$2,168,725.51, a total of \$18,684,700.14. The losses for the year amounted to \$132,603.18, or an increase of \$5,836.01 over 1896, due to the fact that the Inspectors added nearly a month's losses to the general result on account of more costly than usual getting in their reports on later losses, and from the fact of the great conflagration in the County of Russell, by which the company was a severe sufferer. Having, however, received its baptism of fire in the big Ottawa Valley in 1870, and again in North Ontario and Victoria bush fires of 1882, the company was well provided against any contingency and occurrence of this kind, and after all came out of the ordeal with unscorched wings. Although this was the thirty-eighth annual report of the company it was about the 40th year of its existence. In its early days it made very little progress owing to this fact its methods and plans were not properly appreciated, but since the year 1860 when the late Alexander Macdonald, father of the present manager, took control of the company, extending its benefits to all parts of the province, the London Mutual has become a household word in every township and hamlet in the province for fair and honorable dealing. This was evidenced from the fact that the company's business was nearly, if not quite as much, as all other farmers' companies combined, and it would always be the aim and desire of the board to deserve the reputation so long enjoyed. The expenses of the company outside of the official expenditure were somewhat higher than usual, owing to the changes referred to in the matter of inspection, and they would be reduced from this time out. It had to be borne in mind that a large business necessarily required a large outlay, and the board did not regard it in any way as money thrown away, when the company gained experience. Some twenty years ago legislation occurred in the matter of insurance, and among other things a set of conditions was adopted by a committee of the House of Assembly. The conditions known as statutory conditions were very little understood by those connected with insurance, and so vague and uncertain in their meaning that recourse had often been had to law suits with ever varying success, the judges being apparently as much at sea as the authors of the conditions named, and all insurance companies had found them oppressive and expensive. Legislative amendments were promised from time to time and it was fully expected before this that changes in the interest of the public as well as in the interest of the companies, would be made and large legal expenses saved. A year ago it was promised that amendments would be made during last session, but when that time came it was found that our worthy rulers were too much engaged in political fights for "the loaves and fishes" of office to attend to any matters of practical utility. Now, however, when the turmoils of the fight will be ended it was reasonably hoped that the Legislature at the next session will enact a reasonable and just insurance law, making the conditions of the policies that "they who run may read." The agents of the company as a general thing had worked as if they had the interest of the company at heart. Three directors now retire by rotation; they are Angus Campbell, J. W. Cameron, and Joseph H. Marshall, who, however, are eligible for re-election.

INSPECTORS' REPORT.

Your inspectors have leave to report that during the past year they have inspected and reported on 547 claims against the company. Nine of the claims, amounting to \$6,515, were rejected by the board, leaving 538 adjusted (after deductions made in them), as \$132,603.18, up to the 31st of December, 1897. On account of a change made by the Finance Committee the losses were passed up to the last day of the year, instead of the usual board meeting, in the first week in December, so that our losses really extend over thirteen months and are about the same ratio as 1896, and would have been lighter but for the heavy running fires in Russell county in October; the extreme dry weather causing heavy losses to a number of companies.

Of this we find—

167 from defective chimneys, pipes, furnaces and stoves.. . . .	\$ 32,600 57
18 from unknown causes.. . . .	25,665 30
87 from lightning to buildings and contents.. . . .	16,334 00
72 from lightning to animals.. . . .	1,91 60
40 from lanterns, lamps and candles.. . . .	14,111 72
2 from incendiary causes.. . . .	12,111 31
14 from running fires.. . . .	6,64 00
16 from children with matches.. . . .	6,322 85
23 from other buildings burning.. . . .	6,074 09
2 from foundry cupola.. . . .	3,071 31
6 from steam threshers.. . . .	2,641 16
2 from electric wires.. . . .	1,057 95
3 from tramps.. . . .	982 85
3 from spontaneous combustion.. . . .	813 53
1 from roofers' pot on building.. . . .	820 00
1 from explosion of coal oil stove.. . . .	601 70
1 from bake-oven.. . . .	245 80
1 from burning rubbish.. . . .	482 60
2 from railway engines.. . . .	423 02
2 from gas jets.. . . .	50 50
3 from hot ashes.. . . .	27 00
1 from furnace in engine room.. . . .	20 00
2 from mice and matches.. . . .	15 00
1 from sparks from blacksmith's forge.. . . .	3 00
1 from smoke stack on saw mill.. . . .	1 02

538	\$132,603 18
Making a total of \$132,603.18 from 538 fires.	
Of the above losses 61 were on general business amounting to.. . . .	\$ 20,072 11
On which we had from re-insurance.. . . .	1,073 54
	\$18,098 57

From the foregoing it is plain that defective chimneys and flues are our heaviest losses. These can only be attributed in most instances to carelessness, and your inspectors deem it their duty to draw the attention of our members to the fact, that under the law of this province no claim for insurance can be established in cases where the assured can be shown to have been aware of defects in his chimneys or stove pipes. Our losses from lightning show a very appreciable reduction from last year. Lamps and lanterns as engines of destruction have maintained their reputation. The class of unknown losses show a large increase, as do those from incendiary causes—and are closely connected, many called unknown being in the interest of the assured. The steam thresher again came to the front, the dry fall being favorable for the instantaneous ignition of buildings and stacks from sparks. Your inspectors in travelling through the country have discovered a number of engines placed nearer buildings than our limit allows. Electric lightning has now become a source of danger in manufacturing and mercantile risks from defective workmanship or ignorance on behalf of those putting them in. All of which is respectfully submitted.

LAUCHLIN LEITCH,

D. WEISMILLER,

Inspectors.

RECEIPTS.

Cash balance for 1896.. . . .	\$ 1,721 53
Received from agents.. . . .	22,180 00
Assessments.. . . .	97,325 24
Interest.. . . .	3,073 05
Transfer fees.. . . .	395 04
Rents.. . . .	117 00
Assessments in advance.. . . .	402 58
Old assessments.. . . .	74 60
Extra premium.. . . .	216 15