GUARDIAN ASSURANCE COMPANY LIMITED.

The year 1916 was marked by notable developments in the policy of the Guardian Assurance Company Limited. Securing increased powers early in the year, the Company a few months later acquired the majority of the shares of the Reliance Marine Insurance Company, of Liverpool, and from the first of January of this year began also the transaction of marine business on its own account. The Guardian, previously prominently identified with fire, life and accident operations, has thus brought itself into line, as regards diversity of objects, with other leaders of the British insurance world. In connection with the Reliance Marine transaction, through which a first-rate organisation and sound marine business, which can be considerably augmented from the Guardian's own connections, were acquired, a reorganisation of the Guardian's capital was undertaken, with the result that the Reliance Marine was acquired without any increase of capital or debenture issue on the Guardian's part and with but a nominal payment in cash. This is believed to be the first occasion on which a transaction of this size and importance has been put through in this manner, and that an inevitably delicate and complex arrangement should have been thus successfully achieved constitutes distinctly a matter for congratulation to those responsible for it.

The Guardian is, of course, exceedingly well equipped to undertake a policy of wise expansion at this time. Its strong financial position, the skilful management at its disposal, a world-wide organisation, and an enviable position in the public esteem, acquired as a result of generations of upright and honorable dealing with policyholders, ensure its success in the larger field of operations it has now entered.

Fire Department's Favorable Experience.

The Guardian has long occupied a prominent place in the first rank of British fire offices, and last year marked a particularly satisfactory achievement on the part of the fire department. A notably large expansion was recorded in premium income, which reached $3,374,020, against $3,148,675 in the year preceding. The increase of $225,345 is the largest annual increment reported for twenty-five years. Coincidently with this satisfactory growth in premium income, for the second year in succession, the amount absorbed by losses was less than the requirement in the preceding twelve months. Net losses were only $1,648,835 following $1,741,336 in 1915, a ratio to premium income of but 48.87 per cent. against 55.3 in the preceding year. This excellent result, it may be noted, marks the lowest proportion of losses to premiums recorded since 1910, when the loss ratio was 48.1 per cent. Expenses of management, while slightly higher in amount than in 1916 at $1,241,025, were somewhat lower proportionately to premiums, being 36.78 per cent. against 37.02 per cent.

A Strong Financial Position.

The Company's financial position is a very fine one. The reserve for unexpired fire risks of $1,518,500 is maintained at 45 per cent. of the premium income. In addition there is a general reserve fund of $2,625,000, which with the balance on profit and loss account of $813,785 makes total funds available for the protection of fire policyholders of $4,957,285, equal to 147 per cent. of last year's premium income, apart altogether from the paid-up capital of $5,000,000. The figures speak for themselves regarding the amplitude of the security afforded by the Guardian to every policyholder. Clearly the Company can regard with equanimity any possible conflagration loss.

Accident Department.

The Guardian's accident department also enjoyed a successful experience in 1916. Premiums reached $1,153,175, a growth of practically $170,000 upon the total of $984,260 reported for 1915. The exceptionally fine quality of the business obtained is shown in the fact that for the last five years at least the claim ratio of this department has been less than 40 per cent. Last year claims absorbed $430,700, a ratio of 37.35 per cent. against $353,350 (35.89 per cent.) in 1915. The unexpired risk reserve is maintained at over 40 per cent. of the premium income and now amounting to $475,000, gives with the general reserve of $560,500, an accident fund of $1,035,500.

The Guardian in Canada.

The Guardian, whose total assets now exceed $37,000,000, has been transacting fire business in Canada since the year of Confederation. Enjoying

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