

loric acid gas and the temperature is gradually raised to one hundred and thirty degrees, to complete the destruction of the various vegetable matters. This being done, a current of air charged with ammoniacal vapor is then passed through in order to get rid completely of any remaining traces of hydrochloric acid, and the operation is completed.

#### THE ISOLATED RISK AND FARMERS' FIRE INSURANCE COMPANY OF CANADA.

The fifth annual meeting of the Shareholders of the Isolated Risk and Farmers' Fire Insurance Company was held at the Company's office, corner of King and Church streets, Toronto, on Thursday, the 14th December, 1876. The Vice-President, George Greig, took the chair, and the manager, Mr. John Maughan, jun., was appointed Secretary, and read the Directors' Report as follows:

Toronto, 14th December, 1876.

The Directors of the Isolated Risk and Farmers' Fire Insurance Company of Canada beg to present to the Shareholders their fifth annual Report, with statements in detail of the Company's affairs for the year ending 31st October, 1876.

These statements show the income from all sources for the year 1876 to have been ..... \$96,387.40 and the disbursements for losses and expenses same period ..... 104,682.10

Leaving a deficiency in the year's business of ..... \$ 8,294.70

In order, however, to exhibit the relative position of the Company's business, owing to the risks being taken almost entirely on policies for three years, the receipts and disbursements from the commencement of the Company's operations are here introduced, and are as follows, viz.:

Receipts for the years ending 1872, 1873, 1874, 1875 and 1876 ..... \$427,700.24  
Disbursements for those years (including dividends paid in 1872, 1873, 1874 and 1875) ..... 343,113.37

Shewing a surplus on the five years' business of ..... \$84,646.87

A result which your Directors regard as, on the whole, satisfactory.

The Auditors' Report, submitted herewith, certifies to the correctness of the several statements.

The past year has been one of unusual depression in all descriptions of business, and the losses by fire have also been exceptionally great. And at a time when insurance companies would naturally have been expected to have increased their rates, the very opposite course has been followed by nearly every company doing business in Canada.

This Company has, however, adhered firmly to rates which previous experience has proved to have been safe and just, alike to the insured and the insurers.

Viewing the exceptional competition which has existed during the past year as compared with former years, and the unusually large losses which have been sustained, the Directors believe that the year's business now closed will compare favorably with that of any other first class Canadian insurance company.

All which is respectfully submitted,

GEORGE GREIG,  
Vice-President.  
J. MAUGHAN, JUN.,  
Manager.

#### Statement of assets and liabilities.

##### ASSETS.

Municipal Debentures ..... \$100,004.00  
Accrued Interest to date ..... 1,992.44  
Cash in Canadian Bank of Commerce ..... 3,264.63  
Office Furniture ..... 1,315.79

Bank Stock ..... 7,500.00  
Sundry assets, including agents' balances ..... 37,618.33  
Total assets ..... \$152,595.19

##### LIABILITIES.

Capital Stock paid up ..... \$80,000.00  
Appropriated to pay losses under adjustment ..... 7,322.00  
Unclaimed Dividends ..... 55.00  
Re-insurance ..... 571.32  
67,948.32

Net assets ..... \$84,646.87

The Chairman having moved the adoption of the Report, seconded by the Hon. J. H. Bellerose, of Montreal, the motion was carried unanimously.

Moved by A. W. Russell, Esq., of Toronto, seconded by Geo. S. Birrell, Esq., of London, that the thanks of the meeting be tendered to the President, Vice-Presidents and Directors for their services during the past year. Carried unanimously.

A similar motion (moved by Dr. Larratt W. Smith, of Toronto, and seconded by John Beattie, Esq., of London) was likewise carried, thanking the manager, Mr. Maughan, and the other officers of the Company for their services during the year.

The following gentlemen were then declared duly elected as Directors, viz.:

For Province of Ontario.	For Province of Quebec
Hon. Alex. Mackenzie.	Hon. J. H. Bellerose.
" Wm. McMaster.	" Jos. Armand.
" Geo. Brown.	" L. Archambault.
" Col. Shaw.	" W. H. Chaffers.
Messrs. Geo. Greig.	" P. E. Dostaler.
" J. D. Irwin.	" E. Dionne.
" J. Macdonald.	Messrs. Alex. Archambault.
" L. W. Smith.	" F. Benoit.
" Robt. Wilkes.	" L. A. Jetté.
" John G. Scott.	" P. Larue.
" V. Cronyn.	" W. Prevost.

At a subsequent Meeting of the Board of Directors the Hon. Alex. Mackenzie was unanimously re-elected President of the Company; Major Greig, Vice-President for Ontario and the Hon. J. H. Bellerose, Vice-President for Quebec for the ensuing year.

#### Correspondence.

##### AMERICAN LIFE INSURANCE.

To the Editor of the *Journal of Commerce*:

Sir,—Considerable excitement prevails in New York at present, among Insurance Companies, pending the result of an investigation by Mr. Smythe, the Insurance Commissioner. It is feared that the result of his examination will prove unfavorable to some of the companies, and will result in a suspension, if not worse. There is a strong feeling evinced in interested quarters against such investigation, and hints are thrown out that it were better to remove Mr. Smythe to some more interesting field of operations (say Alaska) where the vital interest of Insurance Companies would not be so seriously affected by investigation; but as he is regarded as a man of sterling worth and ability, it is hardly likely that these hints will be acted upon, as none of the companies are named. The results of his investigation will be anxiously looked for, as it is an unquestioned fact that the bulk of insurances effected in Canada are in American companies, and from the recent developments in the "Continental and Security Life," coupled with the vague rumors respecting other companies, this cannot be wondered at. The main reason for any trouble or loss to the various companies would seem to arise from the enormous depreciation in value of their different investments—stocks and real estate forming the principal portion thereof. In stocks it would be absurd to place any approximate value upon them, as they have of late fluctuated to an alarming extent, and in many cases have reached zero,

while good authorities estimate the depreciation in real estate at from 40 to 50 per cent. It is very evident, even allowing these figures to be high, that none of the companies can be held in as good a position as that of former years. On the other hand, as an offset to these losses, it is claimed that the amount realized from failure to pay renewed premiums this year will reduce the liabilities of the several companies materially. In any event, it were well that this investigation should be as searching as possible, in the interests especially of solvent companies, in order that the insuring public may now know that bottom has been reached, and that nothing further is to be feared.

Yours truly,  
AN INTERESTED PARTY.  
Montreal, Dec. 29th, 1876.

#### FIRE RECORD.

King Creek, Ont., Dec. 14th.—The farm buildings of Mr. Andrew McClure were totally destroyed by fire. Five or six head of cattle, several pigs, ploughs, a reaper, a sulky rake, a grain crusher, waggon, about twenty tons of hay, and the grain from two days' threshing, were burnt, and a valuable stallion was badly injured. A valuable team belonging to Mr. Bryson, of Vaughan, was also destroyed. The fire originated in the straw stack, by a spark from the house, it is supposed. Loss from \$2,500 to \$3,000; believed to be lightly insured.

Stratford, Dec. 29.—Fire broke out in large frame building, formerly known as the West of England Hotel; the property was totally destroyed. The building was valued at \$3000; insured in the Lancashire Company for \$1300; loss on furniture, \$600.

Montreal, Jan. 1.—Fire broke out in the ceiling and flooring of the ground flat of one of a number of stone-faced houses in course of erection on Arthur street, known as McEwen's block. The damage is considerable. Cause unknown.

Quebec, Jan. 1.—Two houses near Cantin's ship yard were totally destroyed by fire; the cause was a defective flue.

Marmora, Jan. 1.—Dwelling house of Richard Jones was burned to the ground; part of contents were saved.

Quebec, Jan. 2.—Fire broke out in dry goods store of A. Shaver & Co., St. John street. The stock was nearly all destroyed, as were also the photographic instruments and stock of L. Livernois, who occupied the upper flats of the building. The origin is at present unknown. Shaver & Co. are insured in the Quebec office for \$2000, and in the Citizens for \$1000. There is a partial insurance on the property of Livernois.

Almonte, Ont., Jan. 2.—Fire broke out in W. H. Wylie's woolen factory, destroying the building and contents. The building was owned by Mr. Albert Cannon, and his loss is estimated at \$4000, for which he has no insurance. Mr. Wylie's loss in machinery and stock is about \$15000, and is insured for \$7000. By the fire a large number of hands will be thrown out of employment.

#### TORONTO MARKETS.

Toronto, Jan. 4.—Market dull and inactive all over; nothing reported beyond the sale of a small lot of rye at 65c delivered. Flour and wheat held firmly, with buyers at former prices. Hogs steady at \$6.90 to \$7.10. On the street, Fall Wheat sold at \$1.20 to \$1.36; Spring at \$1.22 to \$1.23; Barley at 60c to 77c; Peas, 75c to 78c; Oats, 44c.

#### Commercial.

##### MONTREAL GENERAL MARKETS.

MONTREAL, Jan. 4th, 1877.

The business of the week has been very quiet, but this character is entirely normal, arising from reasonable and legitimate causes. There