

BRITISH EMPIRE MUTUAL LIFE ASSURANCE CO.

The 53rd Annual Report of the above named company is an excellent one. Steady growth, increased surplus, stronger reserves, and the bonus rate fully maintained. Such results indicate prosperity, and point to energetic and careful management. The most captious critic will find nothing to complain of in such a statement as the one under review, especially when he finds that the cost of managing the business, including commission, was even lower than that of last year. Only 16.35 per cent. of the net life premium income, is the gratifying report of the directors, regarding the expense ratio for 1899, and it is not surprising to find that the percentage is the "lowest on record."

The policies issued and paid for, amounted to \$3,494,205, and the net life premium income was \$1,344,181. New annuities for \$11,730 per annum were granted, the purchase price of same being \$96,645. The interest revenue exceeded \$530,000. The death claims were well within the estimates. The assurances in force now number 24,805, and represent in amount \$42,861,920. The funds in hand have increased during the year by \$666,985, and now amount to \$14,519,143. This sum is largely in excess of all liabilities, even when valued on the strict net premium method adopted by the Hm. mortality table with interest at 3 per cent.

The Canadian business was in keeping with that transacted by the company elsewhere. The new policies issued were in excess of the figures of the preceding twelve months, and the discontinuances, owing to surrender, expiry and lapse, shewed improvement. The cost of the business transacted was lower than ever before in Canada, and the rate of interest earned on the funds was satisfactory. Under such circumstances, Mr. A. McDougald, the manager for Canada, and his local board of directors have good reason to rejoice in a prosperity which, even if "monotonous," cannot fail to be pleasurable.

THE LESSONS OF A GREAT FIRE.

Fire underwriters in the United States have been busily discussing the lessons to be learned from the destruction of the fireproof building at Pittsburg, used as a department store, whereby the interested companies will lose about \$1,000,000. It seems that a similar building on the same site was destroyed with enormous loss only three years ago.

At that time experts from all parts of the country visited the ruins to see for themselves the effect of the flames on the steel frame-work of skeleton construction which underwriters then knew little about. In noting the structural defects the engineers reported at the time: "The fall of the ceiling exposed to the action of the heat the unprotected columns of the sixth story, between the ceiling and the roof, and also the roof-beams and those supporting the tank. These, no doubt, yielded on account of their loads and the

action of the heat, and thus permitted the heavy tank to fall. The tank in falling carried with it to the first floor such columns and beams with which it came in contact, and this in turn dismantled a large number of beams and girders to which they were connected."

The "Post" (N. Y.) tells what followed:—

The building was immediately rebuilt, conforming so nearly to approved methods of construction as to lead underwriters to insure its contents for 68 cents per \$100 of insurance. Now it is in ruins again, and underwriters are asking whether there is such a thing as thoroughly fireproof construction. The question is of greater concern to local underwriters than to insurance men at other commercial centres, because of the variety of buildings erected in this city on much the same lines as the Pittsburg structure. New York department stores pay from 75 cents to 1 1-2 per cent., for each \$100 of insurance carried. This yields the underwriters enormous revenues, since the stores shelter stocks worth from \$500,000 to \$3,000,000, which are generally insured for 80 per cent. of their value. Although department stores have been burning all over the country, New York thus far has experienced very few losses. Whether this is because local merchants are better protected than those at other centres is not known, but the fact remains that on the business thus far written premiums collected have been far in excess of losses sustained. The President of a prominent insurance company believes the "moral hazard" is largely responsible for this favorable showing, because most of the merchants do a very profitable business, which would be seriously interfered with if their stores should be "closed for repairs." For this reason, it is believed, unusual vigilance is exercised by New York merchants, which, with the sprinkler systems installed in most of the large stores, has had a great deal to do with keeping down the loss ratio on department-store risks.

Another paper, the Pittsburg "Despatch" remarks that while no system of construction is absolutely fireproof, the disaster shows plainly that the burned building served as a barrier to protect adjoining property. It adds:—

"There are a few plain lessons to be learned from this latest fire, however. One is that fireproof construction will only reach its highest efficiency when means are devised for closing elevator shafts and stairways from floor to floor—a battening down of the hatches, to use a nautical term. In this instance the elevator and light shafts were the scene of principal mischief. Along these channels and by the stairway the fire was communicated from floor to floor. Another weak point was developed in the steel fire shutters at the rear of the building, which did such good service in the first fire. In that case the draught was towards the Penn Avenue front—i. e., in the direction of the greater fire across the street. Yesterday morning the draught was up the elevator shaft and stairway at the rear of the building, and the great heat soon warped the steel doors out of position, permitting flame