THE LAW UNION AND ROCK'S REPORT

An even flow of prosperity distinguishes the yearly statements of the Law Union & Rock Insurance Company, Limited. Widely trusted and carefully preserving its own individuality, the Law Union and Rock possesses a business of inherent excellence. Probably the business could be considerably developed with ease, but the prestige of the office is such as to neutralise any ambitions after mere size, and pending the discernment of appropriate opportunities of development, the management are very rightly content to go forward in the accustomed safe and prosperous way rather than to allow an enthusiasm for rapid extension to prevail. That in the last twenty years the Law Union and Rock's annual fire premiums have grown from about $330,000 to $1,250,000 is proof that in the case of this Company conservatism of policy is not inconsistent with steady progress of a very substantial kind, while the test of time has shown the quality of the new business secured to be all that could be desired.

FIRE DEPARTMENT'S FAVORABLE YEAR.

While the loss ratio of the fire department in 1913 was slightly higher than in 1912, it was by no means unfavorable, and last year would appear on the whole to have been a satisfactory period for the Company's fire business. The fire premiums, after deduction of re-insurances, amounted to $1,200,049, a figure very slightly less than the total recorded in 1912. Losses amount to $564,526, as compared with $511,991 in 1912, and giving a ratio to premium income of 47.04 per cent.—a satisfactory enough result in itself, though not, as already indicated, quite so good an achievement as that of 1912 when the loss ratio was only 42.39. It is interesting to note on the authority of the chairman at the recent annual meeting that the activities of militant suffragettes mainly account for the increased amount paid out for fire losses, only a small part of the excess paid last year over 1912 being on account of the inevitable fluctuations in the fire loss. Expenses including commission were also rather higher in 1913 than in 1912, totalling $459,825, equal to 38.31 per cent. of the net premium income. However, after the adjustment of the unexpired risk reserve at 40 per cent. of the premiums, making the fire fund $1,480,020, more than 123 per cent. of the year's premiums, there is carried to profit and loss from this account as a result of the year's operations an amount of $237,968.

The accumulations of the Company have now placed it in a remarkably strong position. In addition to the fire fund of $1,480,020, there is a general reserve, being the balance on the profit and loss account of $1,350,893, so that the total security for fire policyholders, apart from paid-up capital, amounts to $2,830,923, equal to 235 per cent. of the premium income of last year. The great strength of such a position is obvious.

OTHER DEPARTMENTS' GOOD RECORD.

In other departments, also, the Law Union & Rock last year achieved quite favorable results. The same conservatism of management which marks its fire business is also evident here with the satisfactory result, that while, for instance, on employers' liability insurance many offices have made heavy losses, the Law Union & Rock's department on a moderate business gives a satisfactory profit. Last year's income of the Employers' Liability department amounted to $177,160, about $13,000 more than in 1912, and outgoings were $126,950, which shows an actual decrease upon 1912. The reserve for unexpired risks having been adjusted to 40 per cent. of premiums, a contribution of $43,258 is made to profit and loss account.

Accident business produced an income of $90,086, claims, commission, expenses and bonus to policyholders absorbing $73,300. A sum of $15,210 was carried to profit and loss after adjustment of reserve for unexpired risks at 40 per cent. of premiums.

Like the fire department, these minor activities of the Law Union & Rock have, of course, the advantage of the security afforded by the Company's accumulated profit and loss balance. Indeed, if the incomes of the three departments be taken together, and compared with the departmental reserves plus the profit and loss balance, it will be found that the combined reserves are in the proportion of 200 per cent. of the annual incomes.

THE LAW UNION & ROCK IN CANADA.

Commencing business in Canada in 1899, the Law Union & Rock has since made considerable headway in this field, the success which it has achieved in other fields having been repeated in the Dominion. Last year's fire experience in Canada was favorable. Premiums totalled $236,795, showing a substantial increase over 1912 of $24,000. The loss ratio was 52.49, not quite so good as in 1912, but below the average loss ratio last year of the British companies operating in Canada. Actual cash premiums in the Accident and Liability departments in Canada last year totalled $87,442.86.

The Law Union and Rock is one of those British insurance organisations having very large Canadian investment interests. Its total assets in Canada are over $12,500,000, while its total Canadian income last year was $942,763.45. Mr. J. E. E. Dickson is the Law Union and Rock's Canadian manager, and his skilful management of its affairs has done much to give the Company in Canada the same honoured position which it holds elsewhere.

THE ONTARIO FIRE MARSHAL BILL.

The new Ontario Fire Marshal Bill gives a Provincial Fire Marshal power to investigate into the cause and origin of any fire, to enter summarily into certain buildings and order necessary fire precautions to be taken, and any inflammable matter lying about removed. Structural changes may also be ordered.

It has already been noted that it is the intention to thrust the charge for this new service unjustly upon the fire insurance companies. Chief A. B. Ten Eyck, of the Hamilton Fire Department, is said to be slated for the position of Fire Marshal.

FIRE AND LIFE TABLES.

Further emendations having been made to the previously issued figures, we publish again the compilations regarding the fire and life business transacted by the companies licensed in Canada by the Dominion Government during 1913. The figures are now in as complete form as with the help of the companies it has been possible to make them, and from them the general trend of each business during last year can be easily seen.