

LIFE ASSURANCE IN BRITAIN.

A balance sheet has been made out by an insurance journal, treating the aggregate business of the life companies of the United Kingdom of Great Britain and Ireland for the year 1884. The income of the ninety-four companies doing ordinary life business during that year, was £18,872,000, of which £12,307,000 was from premiums. The outgo for the year was £15,192,000. We observe that the premiums are nearly two per cent. greater, in all, than in 1883, when

they were £12,164,000. But that year's premiums showed an advance upon those of 1882 equal to 2½ per cent. The insurance and annuity funds increased by 2·8 per cent. The death rate, which had been falling steadily, in the experience of the companies, for several years, takes a sudden jump upward in the year under notice. From 84·85 per cent. in 1881, it had fallen to 81·91 per cent. in 1882, and 81·17 per cent. in 1883; it is rather strange, therefore, to find it stated at 86·28 in 1884. We give a summary of *Blue Book* figures:

SUMMARY OF THE REVENUE ACCOUNTS FILED IN 1884 OF THE 94 ORDINARY LIFE COMPANIES OF THE UNITED KINGDOM.

INCOME.	£	OUTGO.	£
Balance at beginning of year....	137,010,924	Claims	10,618,945
Adjustment for return discontinued, &c.....	59,889	Cash bonuses, &c.....	915,147
	137,070,813	Annuities	593,151
Premiums	12,307,152	Surrenders	773,331
Consideration for annuities.....	636,610	Commission	548,275
Interest, &c. (less tax).....	5,765,562	Expenses of management.....	1,140,979
Profit on Investments.....	125,900	Bad debts.....	2,914
Fines, fees, &c.....	6,865	Loss on investments.....	27,964
Capital paid up.....	3,704	Payments to shareholders.....	564,290
Miscellaneous	25,628	Miscellaneous	6,330
	£155,942,134	Balance at end of year, being....	140,750,808
			£155,942,134

SUMMARY OF THE BALANCE SHEETS FILED IN 1884 OF THE 94 ORDINARY LIFE COMPANIES OF THE UNITED KINGDOM.

LIABILITIES.	£	ASSETS.	£
Paid up capital, etc.....	£ 11,369,659	Mortgages.....	£74,282,393
Life and annuity funds.....	135,604,632	Loans on policies	7,806,172
Fire funds	7,699,308	Loans on rates and rent charges..	21,095,748
Marine funds	561,208	British Government securities....	4,662,518
Reserved funds	3,382,256	Indian and Colonial Government securities	9,380,817
Other funds.....	430,183	Foreign Government securities..	12,204,869
Profit and loss balances.....	2,122,172	Debentures	9,929,528
Depreciation and investment funds.....	176,555	Shares and stocks.....	618,690
Globe annuitants	1,102,800	Companies own shares.....	8,890,157
Outstanding claims	3,580,647	Land and houses and ground rents	2,949,862
Outstanding accounts	411,096	Reversions and life interests.....	1,389,050
Sundries	218,071	Loans on personal security	3,433,696
	£166,658,597	Agents' balances and outstanding premiums	1,495,159
		Outstanding interest.....	4,288,278
		Cash, &c.....	82,109
		Sundries.....	83,018
		Deficiencies, &c	
			£166,658,597

We obtain from the *Post Magazine* the data to enable us to make a comparison of these figures with those of the preceding year:—Comparing the various items of outgo for each of the past two years with the premium income, the following figures are reached:—

	1883.	1884.
Claims	81·17 p.c.	86·28 p.c.
Cash bonuses, &c	6·87 "	7·43 "
Surrenders	6·18 "	6·28 "
Commissions	4·40 "	4·45 "
Expenses	9·41 "	9·27 "

With respect to the increase of claims, that journal says:—"This is an item in which we should not have expected so large a fluctuation. We have here an illustration of the fact that it is unwise to base conclusions on the experience of a single year, even although we have so broad a foundation as the aggregate accounts of 94 offices afford. It is very satisfactory to find that the rate of expenditure, including commission, has taken a downward turn, even if the improvement be but fractional, only ·09 per cent. It is in the matter of expenses that the skill of our managers can find most scope for its exercise. The companies in the year under review were more successful in placing their funds to advantage

than in the previous year. Taking interest receipts only, the rate realized on the average funds of the year was 4·15 per cent., against 4·04 per cent. of the year before. If to the interest we add the profit on investments, which for the purposes of a life office is only interest under another name, the figures are 4·22 per cent., against 4·16 per cent. From these results those who do not believe in a permanent fall in the rate of interest will derive support for their views. In order, however, to arrive at just conclusions we must have a longer period than one year from which to derive our arguments."

The changes in investments by these Life companies are insignificant, and do not throw much light on the course of business. In the following table the percentage is given which each description of security bears to the total funds:—

	1883.	1884.
Mortgages	44·66	44·57
Loans on policies.....	4·64	4·68
Loans on rates and rent charges	12·92	12·67
British Government Securities	2·93	2·80
Indian and Colonial Government Securities	5·42	5·63
Foreign Government Securities	2·64	2·44
Debentures.....	7·07	7·32
Shares and stocks.....	6·03	5·96
Companies' own shares.....	0·36	0·37

Land and houses and ground rents.....	5·17	5·33
Reversions and life interests..	1·80	1·77
Loans on personal security	0·89	0·83
Agents' balances and outstanding premiums.....	2·03	2·06
Outstanding interest	3·90	0·90
Cash, &c.....	2·37	2·57
Sundries.....	0·10	0·05
Deficiencies	0·07	0·05
	100·00	100·00

Some diminution in the amount invested in British Government securities has come about through reduction in the rate of interest on consols, but this, says the *Insurance Monitor* has been foreseen. The most striking feature of the list, perhaps, is the amount of outstanding claims. This was £3,580,647 in the statement for 1884, against £4,303,962 for 1883," almost seventeen per cent. "The actual amount of claims, as we have already seen, very considerably increased; and unless some well accentuated cause had been at work, the amount outstanding at the end of the year would have increased also; but instead of that there is a large reduction. This is, no doubt, due to the fact that so many companies now pay claims immediately on proof of death and title, instead of delaying three months as was formerly the practice; and as this new custom extends, the amount of outstanding claims will still further diminish."

THE HUDSON'S BAY ROUTE.

This is the second year of the observations by the Canadian Government of the conditions which control the navigation of Hudson's Straits and Bay. The "Alert," sent out with a relief party to take the place of the men put on the different stations in the Straits and Bay, last year, met a serious detention in the ice which ended in an injury rendering it necessary for her to return to Newfoundland for repairs. When she came within sight of Resolution Island, at the entrance of Hudson Strait, she found the way blocked by a barrier of ice, in the grasp of which she remained for three weeks. During this time, she does not appear to have drifted much; a fact which would seem to show that the ice current running from the north to the south was inactive during this time at this point. It does not follow however, that the main body of the ice was not moving; the ice near shore in the embrace of which she was caught may have been stationary while the main body was moving. That the general stream of ice was running seems to be proved by the presence of icebergs south-east of this point. If this be so it is probable that a barrier of ice is liable to block the entrance of Hudson Strait every spring and early summer, in the neighborhood of Resolution Island. On her way up, the "Alert" found the ice pack on the Labrador coast to vary in width from thirty-five to one hundred miles. This gives us some idea of the ice stream, which drops into the ocean current, on the Labrador side of Davis Strait. To run against this current is a great waste of power. Vessels which go northward along the Greenland coast are favored by the ocean current which here runs north. The easiest way of get-