

has existed that the average bank note would last about five years. Perhaps in the last few years the banks have been more particular about weeding out the torn and dirty notes. If so, the fact would have a tendency to shorten the life of the average bank note.

GUARDIAN ASSURANCE COMPANY, LIMITED.

The Guardian Assurance Company, Limited, enjoyed during 1910 a thoroughly satisfactory year's business. There was again a decided expansion in fire premiums, which advanced by upwards of \$120,000 to \$2,894,575, against \$2,774,250 at the close of 1909, in which year there was a gain only of some \$58,000. And this expansion of business was accompanied by a lower ratio of expenses. In 1909, the expenses natural to the establishment of new branch offices in New Zealand and in certain of the Australian States brought their ratio to premiums up to 37.67 per cent. Last year the ratio of expenses was lowered by over 1 per cent. to 36.55 per cent. a fact upon which, as well as upon the favorable character of the year's business as a whole, Mr. A. J. Relton, the Guardian's fire manager, who is well known in Canadian insurance circles, can be cordially congratulated.

That the Guardian, which is now entering upon the last decade of a century of life, continues to make vigorous and healthy progress, will be seen from the following comparative figures, which refer to the operations of the company's fire department during the last three years:—

	FIRE DEPARTMENT.		
	1908	1909	1910
Premium Receipts ..	\$2,716,315	\$2,774,250	\$2,894,575
Losses	1,535,750	1,460,155	1,392,740
Ratio of losses to premiums	56.53	52.63	48.11
Expenses and Commissions	989,730	1,045,040	1,058,005
Ratio of expenses to premiums	36.43	37.67	36.55
Total profit	336,150	394,390	538,320
Transferred to profit and loss	286,155	369,575	438,320
General Fire & Unearned Premium Reserves	3,804,750	3,828,250	3,984,500
Total Funds	30,945,650	30,912,260	31,220,485

From this table the favorable character of the operations of the fire department during 1910 are apparent. While premiums showed an expansion of upwards of \$120,000 over 1910, there was coincidently a very satisfactory loss experience. The actual amount paid out in losses was \$1,392,740 or \$67,400 less than the amount paid out in the previous year, while the ratio of losses to premiums was lowered to 48.11 per cent., a decrease of 4.51 per cent. from the ratio of 1909, and the lowest ratio reported by the company since 1903. Thus the Guardian has had the satisfactory experience of reducing its loss ratio by four per cent. two years in succession. With the ratio of expenses brought down, as has already been

said, by more than a full point, the aggregate of the Guardian's losses and expenses last year works out at only 84.66 per cent. as against 90.3 per cent., in 1909 and 92.96 per cent. in 1908, results which must be gratifying to all concerned.

The reserves are further strengthened. As the chairman pointed out at the recent annual meeting it cannot be expected that the fire loss of the future will continue to be as last year's, but in any event, the consistent conservatism of the management, shown by the liberal allocations which have been made to reserve for many years, has placed the company in a position, where the conflagration hazard can be regarded with equanimity. The reserve for unearned premiums is increased to \$1,284,500 or about 45 per cent., while in addition an allocation of \$100,000 has been made to the general reserve fund, bringing this fund up to \$2,700,000. So that the Company's fire funds reach a total of \$3,984,500. The Company's position is indeed one of much strength. These fire funds are equal to 137½ per cent of the Company's premium income last year—a solid achievement which should warmly commend the Guardian both to existing policy-holders and to new insurers. Then there is a paid up capital of \$5,000,000.

Elsewhere than in Canada, where the Guardian at present confines its operations to fire business only, the Company transacts, as is well known, life, fidelity guarantee, burglary accident, and general business. The total funds aggregate \$31,220,485. The Company has been engaged in the Canadian field since 1869, and under the able direction of Mr. H. M. Lambert, of Montreal, the Canadian manager, its business continues to show a healthy expansion. Last year, net cash received by the Guardian for fire premiums in Canada was \$746,951 and net losses incurred were \$432,958. From its establishment in this field in 1869 to the close of 1910, the Guardian received in premiums in Canada \$10,690,100 and paid out in losses \$7,139,830. Knowledge of the strength of the company as disclosed in the newly published annual report, extracts from which are published on another page, should aid materially in extending its business throughout the Dominion.

CANADIAN FIRE UNDERWRITERS' ASSOCIATION.

The annual meeting of this Association was held at Niagara Falls on Tuesday and Wednesday. Routine business was transacted, and the following officers were elected: President, Mr. T. D. Richardson, New York Underwriters, Toronto; vice-president for Quebec, Mr. H. M. Lambert, Guardian Assurance Co., Montreal; vice-president for Ontario, Mr. P. H. Sims, British America Assurance Company, Toronto. All the companies in the Association were represented. Among the Montrealers present were: Messrs. W. Mackay, Royal; R. MacD. Paterson, Phoenix of London; James McGregor, Commercial Union; T. D. Belfield, Alliance; M. C. Hinshaw, Atlas; J. Gardner Thompson, Liverpool & London & Globe; P. M. Wickham, Yorkshire; J. W. Tatley, Phoenix of Hartford, etc.