THE COMMERCIAL UNION ASSURANCE COMPANY.

In presenting their forty-seventh annual report, the directors of the Commercial Union Assurance Company show that the volume of fire insurance business transacted by this important office was but little affected by the manufacturing and commercial recession of 1908. Net premiums for the year amounted to practically $14,000,000. That the premium income has more than doubled since the beginning of the 20th century is clear indication of the growth which has come about through extension of the company's own business and the acquiring of such other important offices as the Union Assurance Society, and the Scottish County and Mercantile Insurance Company.

Losses paid and outstanding for the past year amounted to $7,354,905, or 52.8 per cent. of the premium income. From the profits of the fire department the sum of $375,000 was carried to profit and loss, and after providing for outstanding losses the fire fund stood at over $11,850,000, a growth of well on to one million dollars during the twelvemonth.

In the marine department net premiums of $1,208,615 were received—losses paid and outstanding amounting to $659,225. From the profits of this department the sum of $175,000 was carried to profit and loss. After full provision for oustanding losses, the marine fund totalled over $3,240,000.

With general business conditions as they were throughout Britain during 1908, it was not to be expected that the company's general accident business would come up to that of 1907. Net premiums amounted to $1,341,585, and losses paid and outstanding totalled $669,570. After transferring $50,000 of the year's underwriting surplus to profit and loss, the general accident fund amounted to practically $730,000.

For the past year a separate employers' liability account appears in the report of the company. Net premiums received were $1,053,295, while losses paid amounted to $713,985. After the establishment of a reserve of 40 per cent. of the premiums of the year for unexpired risks, and making due provision for outstanding claims, the $60,000 balance of the account was transferred to the general accident account.

In the life department the new business of the year was well in advance of that written during 1907, the showing being $9,033,900—premiums on which amounted to $457,325. Notwithstanding the quinquennial payments of over $770,000 in respect of profits to policyholders and shareholders, the life fund at the end of the year showed an increase of $736,250 and stood at $17,328,850.

At the beginning of the year the profit and loss account of the company showed a balance of $820,225, which had increased to $833,475 at the close. The total assets controlled by the Commercial Union are now practically $90,000,000, the past year having brought the notable growth of over $2,500,000 on the company's characteristically conservative valuation.

The continued strengthening of the various reserve funds of this leading office is in line with the statement made at the annual meeting a year ago by the Chairman, Mr. Robert Barclay, when he said: "It is too much to expect that we shall always meet with such prosperity as in 1907, and your board deem it a wise and sound policy to build up the reserves in such a fashion as will enable the company to weather any storm to which it may be exposed."

Throughout the Dominion, the company conducts an increasingly important fire business, its interests being efficiently looked after by Mr. James McGregor, of Montreal, manager for Canada.

The Head Office, for Canada, in this city, will be removed about the 1st June, to the building recently purchased by the Commercial Union in a prominent position on St. James Street. The structure is in the front rank of the many notably handsome edifices in this important financial and business section of Montreal. The building, which is ten storeys high, is one of the best equipped office buildings in Canada.

HOW FAR IS IT WORKABLE?

"If the Banking and Commerce Committee were to sit for six months, it would not be possible to frame legislation to suit every one." So remarked Mr. H. H. Miller, M.P., with reference to the Insurance Bill amendments up for consideration this week. And small wonder is it that the chairman of the committee charged with shaping the Insurance Bill should have well-nigh exhausted even his notable fund of patience. The task was no light one for committee or sub-committee, and there is ample evidence of careful consideration and unstinted labour.

But as Mr. Miller evidently fears, the amended provisions regarding "outside" fire insurance are not likely to prove altogether acceptable either to Canadian underwriters or to property owners who patronize the "underground route," and shout for free trade in insurance even if they want high protection for their manufacturing activities. The former agree that outside insurance should be permitted in any instance where it can be shown that underwriting facilities are inadequate; they themselves suggested amending the absolute prohibition to that effect. The amendment finally adopted in committee fixes no limit upon the amount of insurance that may be sought abroad, though a tax of 15 per cent. on premiums (but not to exceed 15 cents on a hundred dollars) aims at removing the unfairness of unrestrained competition by unlicensed companies without "a stake in the country."

So far so good. But without enquiring just now as to the adequacy or inadequacy of this protection, if enforced, the question of enforcibility itself presents difficulties. The existing law against underground insurance is a dead letter, chiefly because of the trouble there is in securing grounds for legal action—the government in the past having left all prosecutions to private initiative. Unless the collecting of the 15 per cent. tax on foreign-paid premiums is to be looked after as strictly as customs payments now are—and unless evasions are as drastically dealt with—there is strong likelihood that the "protection" afforded by the bill will be no greater than that favoured by the excitable member of the committee who characterized fire insurance as "a gambling business and a monopoly."