

IMGREGNABLE POSITION OF BRITISH COMPANIES.

It is pointed out by the Insurance Index of New York that the aggregate premium receipts of the home offices of the British companies operating in the United States in 1915 were several million dollars in excess of the previous year, and more than a million and a quarter greater than in 1913—before the war began. At the same time, there was a decrease of nearly six and a half millions in the aggregate amount of losses. An even more remarkable feature of the year's business was an increase of more than thirty million dollars in the total assets of the companies, and this in face of the fact that, in making up their balance sheets, the companies reduced the estimated current value of their securities by more than twelve million dollars, by writing off for depreciation and by transferring to the investment fluctuation fund that amount, as a precautionary and conservative measure.

It is interesting to note, says the Index, that, in the case of the 21 British fire companies transacting business in the States, with an increase in premium receipts of over three and a quarter million dollars, there was a decrease of \$6,416,585 in the net losses—total losses by fire after deduction of reinsurances—the aggregate net losses being \$63,745,855, or only 51.24 per cent. of the net premiums. The unearned premium reserve at the close of last year called for a little over fifty million dollars (\$50,102,697), an increase over 1914 of \$1,314,615. But the total reserve of the companies at the close of 1915 amounted to \$114,782,265, giving a surplus of \$64,680,476, or considerably more than the entire amount of unearned premiums. In other words, for every dollar of reserve required for the protection of outstanding fire risks, the companies held in their fire departments nearly 30 per cent., more than double the sum thus called for.

THE HAMILTON CONVENTION.

The detailed programme for the tenth annual convention of the Life Underwriters' Association of Canada, to be held at Hamilton next Wednesday, July 18th, to Saturday, July 22nd, inclusive, has now been issued. Two sessions will be held daily at the Royal Connaught Hotel at 9 a. m. and 1.30 p. m., except on Saturday, when there will be a morning session only. An outline of the prospective addresses and discussions, making the programme one of much practical value, has already been given in THE CHRONICLE. Attention may be especially called to the addresses by Mr. Warren M. Horner, of Minneapolis, on the "Advantages of Institutional Advertising," by Mr. W. J. Graham of New York, on "Business Insurance and How to Sell it"; by Mr. E. A. Woods of Pittsburgh on "Salesmanship," and by Mr. George T. Wilson, Vice-president of the Equitable of New York, on "Efficiency." The speakers at the banquet to be held on Thursday evening will include Hon. J. V. Barry, of New York, "Some Interesting Side-lights"; Hon. A. Meighen, Solicitor-General, "Our Far-Flung Battle Line"; Mr. J. F. Weston, managing director of the Imperial Life, on "The Patriotism of Life Insurance," while Messrs. W. J. Graham and W. M. Horner will also speak. Mr. Alex. Bissett, president of the Life Officers' Association, will represent that body at the convention, and make an address.

INSURANCE COMPANIES' STANDARD OF SOLVENCY.

Section 135 of the Insurance Act, Superintendent Finlayson of the Dominion Insurance Department remarks in his annual report, provides that Canadian companies shall at all times maintain assets at least equal to their liabilities, including the full reserve of unearned premiums, and also provides that on the assets falling below the amount required, the Superintendent shall report the facts to the Treasury Board, and the Treasury Board may either withdraw the company's license or fix a time within which the deficiency shall be made good. If the company's assets, however, are less than the amount required by 20 per cent. or more of the unearned premiums, the license must be withdrawn.

In Mr. Finlayson's opinion, the minimum amount of assets prescribed by this section is too low, and an amendment is necessary to provide that the company shall maintain over and above its liabilities including the full unearned premiums, either a fixed amount as a margin of safety in the form of unimpaired capital, or a fixed proportion not less than 25 per cent. of its liabilities; and further that a company's license shall not be continued should its assets, by reason of any sudden depreciation or loss, fall below its liabilities.

HAIL INSURANCE.

The business of hail insurance in Canada, notes Superintendent Finlayson in his annual report, is of comparatively recent development. The first company licensed to transact this class of business commenced operations in the year 1910, while at the present time there are fifteen companies licensed, their premiums collected in 1915 amounting to \$732,636.

By a recent regulation, the Treasury Board has required British and foreign companies transacting this class of business to maintain hail deposits at all times, at least equal to 50 per cent. of the hail premiums received during the preceding calendar year. There is no provision in the Act, however, by which Canadian companies are required to maintain assets commensurate with the volume of business transacted. This arises from the fact that the contracts expire and all liability thereunder is discharged before the end of the calendar year, at which date the annual statement of the company is compiled.

It is important, says Mr. Finlayson, that Canadian companies transacting this class of business should set aside from the profits on the business, a special hail surplus fund to an amount at least equal to 50 per cent. of the hail premiums received and an amendment to the Act is desirable for this purpose.

IMPERIAL LIFE.

The Imperial Life of Canada has issued a new and attractive folder dealing with the subject of monthly income insurance from the two standpoints of old-age support and provision for dependents. The Imperial Life also calls attention afresh to its scheme by which, on request of the policyholder, existing insurances payable in lump sums, can be converted into monthly income insurances with guaranteed benefits.