

**THE SUN (FIRE) INSURANCE OFFICE.**

We publish in this issue the statement of the directors of the Sun Insurance Office for the year 1897. As might be expected of this great company, the strongest light of scrutiny only serves to accentuate the excellence of its business. The net premiums received amounted to \$5,061,700 being an increase of \$213,280 as compared with those of the preceding year, and also the largest premium income for the Sun since 1892. The losses paid and outstanding amounted to \$2,941,480 being at the rate of 58.11 on the premiums received. The interest received from investments during the twelve months almost reached \$400,000, making the total income for the year, \$5,455,000. As an indication of the prudence which distinguishes the management of the Sun Fire Office, no less a sum than \$500,000 has been transferred from the profit and loss account to create a special reserve fund which the directors in their brief and business-like report remark is necessary "in view of the increasing need of retaining large amounts on individual risks." The liberal provision for old and faithful officials is shown by a further addition of \$40,000, to the pension fund of the company (now amounting to \$201,390). The reserves of the Sun Fire Office, over and above the paid-up capital of \$600,000, exceed ten millions of dollars, being more than double the premium income for the year. That the shareholders fairly back in the rays of this Sun may be judged from the dividend they received, the brilliant business of last year enabling the directors to declare a dividend of 85 per cent. The total assets of the company now amount to \$11,506,775, and its surplus over capital and all liabilities to \$7,700,000.

THE CHRONICLE extends to Mr. H. M. Blackburn, the much-respected Canadian manager of this ancient and honourable fire insurance company, congratulations upon the report now published.

**LOAN CORPORATION STATEMENTS, 1897**

The first annual statement of the Loan Corporations of Ontario is just to hand, as published by the Ontario Government. The Registrar, Mr. Hunter, whose signature it bears, is to be congratulated upon so bulky an official report having been issued at so much earlier a date than has been customary. The form of the return has been changed materially from that adopted in preceding years, in accordance with an Act passed last year. The change has involved the publication of the annual statements of each of the companies in full, with more details than have been usually given. The Report consequently is six or eight times larger than previous ones. To those desirous of ascertaining the condition of any one company, and the details of its business in 1897, the new form is helpful. But to those who desire to obtain a general comparative view of the affairs of all the loan companies, the new form presents difficulties

which can only be overcome by very tedious labour. We have, however, compiled a table which appears in this issue giving a comparison between the liabilities of all the leading companies as they stood in 1894, and their several amounts at the close of 1897. We reserve a complete statement for another issue. It will be noted that 23 companies have reduced their reserve fund since 1894, though the aggregate was increased by \$152,360. By a singular coincidence there were also 23 companies which reduced their deposits in the same term. It is manifest from the return that the companies whose deposits are strictly agricultural nearly all increased those funds in the last three years, an exhibit which is not favourable to the contention that Ontario farming interests were depressed in those years. Considerable changes occurred in the amount of debentures payable in Canada and those payable in Great Britain. In this feature the policy of the leading companies has been to rely more upon Canadian money than British, as the rates are gradually approximating in the home and foreign markets. The tables are somewhat disturbed by the withdrawal of the Farmers' Loan Company, which is in liquidation, and the Bristol & West of England, which is being wound up. The latter was practically a private company, controlled by one family and its connections in Bristol and the West of England.

The Ontario Government Report includes the figures of the Scottish American Investment Company, the head office of which is in Edinburgh, Scotland. As its investments and loans in this country are not given, and its capital stock and debentures are all held in Great Britain, its operations have no interest in connection with the ordinary business of Ontario Loan Corporations. We have not included this outside company, as its figures would be very misleading. The only reason it is in the official report is that, a power of attorney is held by an agent in Toronto.

One of the most gratifying features in the table we present is the entire absence of any sign of disturbed confidence in the loan corporations of Ontario, such as would not have been surprising during a time of depression when one company made so disastrous a failure.

**PRESIDENT FRENCH ON CONSERVATISM.**

Underwriters generally are willing to profit by the lessons in conservatism which adversity and prosperity seem calculated to teach. A period of misfortune should be the signal for increased prudence, vigilance and economical reform, while a gleam of accidental prosperity should result in the accumulation of profits to be carefully guarded as a nucleus for greater accumulations. But the facts would seem to indicate very different results, for a reckless disregard of the principles of sound underwriting and ridiculously inadequate rates have been most conspicuous when the companies were on the verge of ruin or at the height of financial success. This strange condition of affairs seems characteristic of the fire insurance business alone.