

RIMOUSKI FIRE: QUESTIONS AT OTTAWA.

The following questions regarding the Rimouski Fire Insurance Company were asked in the Dominion Parliament by Mr. Gauvreau:—

1. When was the first deposit made by the L'Assurance de Rimouski with the Government treasury, and what did it consist of?
2. If that deposit was made in currency, is it still in the treasury, or have any other securities been substituted therefor?
3. If so, what was the nature of such securities, what is the value thereof, and are they still in the possession of the Government?
4. Has anybody tried to have these securities abandoned? If so, who did, and by whose authority?
5. Is the Government aware that during the year 1913-1914 the Compagnie L'Assurance de Rimouski has, as alleged, been paid over \$300,000 in premiums, and that at the time of winding up of said company a sum of about \$100,000 was due, arising from unsettled losses?
6. When was the last inspection of the books of said company by Government officials made?
7. How long after that inspection did this company continue to issue policies and collect premiums?
8. Is the Government aware that this company is said to be insolvent, and is it the intention of the Government to cancel its licence?
9. When and at whose request was the license of said company maintained?
10. Is it the intention of the Government to protect the insured and the shareholders?

THE ANSWERS.

Hon. W. T. White replied as follows:—

1. July 19, 1907; \$55,000 debentures of the town of St. Germain de Rimouski.
2. Deposit was not made in currency.
3. The \$55,000 St. Germain de Rimouski debentures were accepted at \$51,680. They are still on deposit with the Receiver General.
4. No.
5. No.
6. February 7, 1914.
7. License was withdrawn March 14, 1914.
8. The Government is aware of the insolvency of the company. License has been cancelled.
9. License was continued until March 14 to give the company an opportunity to be heard in accordance with the provisions of section 41 of the Insurance Act and to permit the company, if possible, either to secure reinsurance or to obtain additional capital, for both of which reasonable hopes were at the time entertained and negotiations in progress.
10. The assets of the company will be distributed by the liquidator by order of the court under the Winding-up Act.

Mr. Beland: May I ask the hon. Minister of Finance whether the inspection he refers to in February was the regular yearly inspection or a special inspection of the books of the company?

Mr. White. I understand that it was the yearly inspection; but if, upon further inquiry, I find that it was a special inspection, I shall take the opportunity of informing my hon. friend.

The Association of Western Superintendents of Insurance is now in being. Col. Gunther has been elected president, and Mr. A. E. Fisher secretary.

HUGE FIRE INSURANCE FIGURES.

A summary of the business of the fire, fire-marine and marine insurance companies operating in New York State during 1913 contained in Part I of the annual report of the State Insurance Department shows that at the close of the year the 250 fire, fire-marine and marine insurance companies doing business in New York were possessed of \$699,351,805 of admitted assets not including assets held abroad nor the premium notes of mutual companies, an increase of \$19,692,021, as compared with the amount shown in the annual statements of the companies for 1912. The liabilities, other than capital, were \$379,844,642; an increase over the previous year of \$16,825,498. The total income was \$401,377,064 and disbursements \$376,117,259; an increase as compared with 1912 of \$19,652,377 in income and \$31,858,521 in disbursements. The premiums written increased \$16,102,368. The losses paid were \$13,453,842 in excess of the loss payments of the preceding year; the unpaid losses being about the same in amount as were those of 1912.

UNDERWRITING GAIN.

The total insurance in force at the end of 1913 was \$57,500,000,000, an increase of \$5,000,000,000. The total underwriting gain, as shown by the underwriting and investment exhibits filed, was \$16,528,403; the gain from investments \$5,388,559; the loss in surplus due to dividends, balance of remittances to and from home office of foreign companies and changes in special reserves was \$31,958,151; making a net loss in surplus from all sources of \$10,041,189 against a net gain in surplus in 1912 of \$12,378,225.

The fire companies wrote in the State of New York during 1913 \$7,099,095,836 of insurance, an increase over the writings of 1912 of \$1,263,380,718.

The excess of fire premiums received over fire losses incurred and estimated expenses on New York State business for the year was \$7,683,847, being an increase of slightly over \$2,000,000. The fire premiums received increased \$1,200,000; while the losses incurred decreased \$1,300,000. The marine and inland risks written in the state by fire and fire-marine companies show a decrease from 1912 of \$2,440,457.

A FAIR AVERAGE YEAR.

It will be seen from the above summarization that the year just past was one of fair average, so far as underwriting results were concerned. The extremely low range of securities values, however, proved a large factor in accounting for the aggregate loss shown in the surplus of the companies. This shrinkage being only temporary, so far as it is due to the above cause, will be gradually eliminated as business conditions improve and the values of securities reach a level more nearly approximating their actual worth.

As illustrating the conservatism of some of the old-established British life offices, the fact may be mentioned that a committee of the directors of the Scottish Widows' Fund, who recently investigated the assets, found that the house property held is worth at least \$300,000 more than the book value. They recommended that no credit be taken for this increase.