

net ledger assets last year, new purchases will have to be made during the current year.

NON-CANADIAN COMPANIES.

The section of the Act affecting the British and American life companies operating in the Canadian field reads as follows:—

"5. After the fifteenth day of February, one thousand nine hundred and sixteen, any deposit of securities in respect of the business of life insurance required or permitted by The Insurance Act, 1910, to be made prior to the first day of January, one thousand nine hundred and eighteen, with the Receiver General or with a Canadian Trustee or Trustees appointed under and for the purposes of the said Act by any company licensed under the said Act to transact the business of life insurance in Canada other than a Canadian company shall consist of securities of Canada."

It is difficult to anticipate how this provision will work out, owing to the fluctuations in the amount of additional deposits made from year to year by the British and American life companies either with the Receiver-General or with trustees. During 1914 the deposits of the British companies (including one Australian company) increased only \$96,164 from \$13,003,273 to \$13,099,437, while the 1913 increase over 1912 was \$601,274. The last movement seems to have been principally caused by the advent of an additional company in the field.

As regards the American companies, at the close of 1914, their deposits in Canada were \$50,777,793 against \$46,685,134 at the close of 1913, a gain of \$4,092,659. But their 1913 gain over 1912 was only \$746,542.

The companies which made their deposits for the current year prior to the introduction of the Budget escape the operation of this legislation for this year. Taking this into consideration, it would seem that for the years 1916 and 1917, not more than from \$4 to \$5 millions in additional deposits can be safely anticipated. Several of the British life companies, and one or two of the American life companies were subscribers to the War Loan in November, so that future deposits by these companies would not necessarily represent new purchases of or new subscriptions to Canadian Government loans.

ESTIMATED TOTAL, \$17 TO \$18 MILLIONS.

Assuming, then, \$6 1-2 millions as the contribution of the Canadian companies this year, and the same amount during 1917, plus \$4 to \$5 millions new deposits by the British and American companies, it would appear likely that this scheme of compulsory investment would ensure about \$17 to \$18 millions of the Canadian Government's loans being taken up. Sir Thomas White, in his Budget speech, estimated \$15 millions, and this would seem to be a decidedly conservative anticipation.

In the above calculations, the figures of several fraternal and assessment organisations have not been taken into consideration. These organisations also come within the scope of the new Act.

UNDER-INSURANCE AGAIN.

The burning of the church at Beauport, P.Q., brings to light another example of the gross under-insurance of churches and public buildings which is altogether too prevalent in the Dominion. This church, which had only been built six years in succession to an earlier building destroyed by fire in 1910, was valued at \$300,000 while the insurance carried was only \$60,000—a grossly inadequate amount. A fair arrangement for the insurance of buildings of this character is that they should be protected to the extent of 75 per cent. of their cost, and insurance men who are connected with religious and other institutions would do well to make it their business to ascertain that a common-sense policy is followed by those in responsible charge of these buildings. A course of action which for the sake of saving comparatively a few dollars in premiums runs the risk of heavy loss and in consequence either heavy legal obligations on the faithful or appeals to the charitable, merely shows an entire lack of ordinary business sense on the part of those responsible for it.

ANGLO-AMERICAN AND MONTREAL-CANADA'S BUSINESS RE-INSURED.

Announcement was made by the Dominion Superintendent of Insurance this week of the practical completion of arrangements for the re-insurance by the Western Assurance Company of the Canadian business of the Anglo-American Fire Insurance Company and the Montreal-Canada Fire Insurance Company. The licenses of the Anglo-American and of the Montreal-Canada have been cancelled by the Dominion Department on account of their financial condition.

Both these companies have had a sequence of heavy loss ratios in recent years, as is seen from the following table of percentage of net losses incurred to net cash received for premiums:—

	Anglo-American.	Montreal-Canada.
1914.....	63.92	73.16
1913.....	70.09	69.68
1912.....	68.92	58.18
1911.....	63.85	75.94
1910.....	59.06	54.30
1909.....	52.0	65.4
1908.....	97.9	97.7

The Anglo-American, which was established in 1899, holds a considerable amount of the Montreal-Canada's stock. The Anglo-American had at December 31st, 1914, a paid-up capital of \$76,876; in 1914 it received net cash for premiums, \$204,229 and incurred net losses, \$130,540.

The Montreal-Canada is an old-established company dating from 1859 and prior to 1904 confined its operations to the province of Quebec. At December 31st, 1914, its paid-up capital was \$112,905; in 1914 it received net cash for premiums, \$131,265, and incurred net losses, \$96,038. This company has now petitioned in the Montreal Courts for a winding-up order, which has been granted, the National Trust Company being appointed liquidator.