

terest from \$79,633,981 to \$28,987,702, is a financial feat that reflects the utmost credit upon the Government and the people of the United States. The reduction in the annual interest has been greater in proportion than the reduction of the principal. In 1876 the rate of annual interest was 5.62 per cent., this year the rate is a fraction under 3 per cent. In 1876 the cash in the Treasury was \$90,788,326, in 1880 it went up to \$166,114,752, in 1890, \$189,993,104, in 1900, \$305,705,654 and on 1st. inst. these funds stood at, \$319,919,579. The lowest point to which the Treasury funds were reduced was in 1894 when they run down to, \$117,584,436, the depletion causing grave anxiety. The national debt of the United States is very small compared with that of other countries, when their respective populations and resources are taken into account. Hence the low rate at which United States bonds are issued, no less than \$445,940,750 having been issued since March, 1900 at the rate of 2 per cent., redeemable in 1930; \$198,792,640 at 3 per cent., \$943,249,350 at 4 per cent., of which 741 millions have only 6 years to run, and \$100,000,000 at 5 per cent. in 1875, which mature in 1904.

#### PHOENIX AND ATLAS AMALGAMATION.

##### OFFICIAL STATEMENT OF TERMS.

The full text of the circular sent to the shareholders of the Atlas Insurance Company, announcing its amalgamation with the Phoenix, quoted in full in the New York "Commercial Bulletin," reads:—

"The agreement with the Phoenix Co. provides for the amalgamation of that company with the Atlas Co. (excepting its life department) under the name of the Phoenix and Atlas Fire Office, Limited, the shareholders of the Atlas receiving 18,000 new shares in the Phoenix and Atlas Company in exchange for their 24,000 shares in the Atlas Company, i. e., three Phoenix and Atlas shares for four Atlas shares. On the basis of values at the time these negotiations commenced, viz., Atlas 26½ and Phoenix 38, the Atlas shareholders will get shares of a value equal to £2 per share more than the then market price of their property, while assuming the continuance of the dividends which have been paid for several years past they will receive a dividend equal to 2s 3d per share more than they now receive; thus a holder of four Atlas shares now receives a dividend of 96s, while three Phoenix shares, their equivalent, produces a dividend of 105s.

Atlas shareholders will further benefit by the reduction of the uncalled liability on their shares. This now stands at £176 for every four shares, but for three Phoenix and Atlas shares it will stand at £135; consequently, where an Atlas shareholder is now liable for £44 he will in future have a liability £33 15s, or £10 5s per share less."

The circular states that: "The annual premium income at the present moment of the two amalgamat-

ing companies exceeds \$8,500,000. Their subscribed capital will be \$16,944,000, of which £358,880 will be paid up. In addition, the combined funds, excluding capital, amount to over \$9,000,000, so that the total security for policyholders will exceed \$26,944,000.

The circular issued to the Atlas shareholders, signed, "Sam'l J. Pipkin, General Manager and Secretary," further states that:

"There will be a complete amalgamation of the directorates and staff of the companies, and the present general manager and secretary of the Atlas will hold the same position in the Phoenix and Atlas Company. The agency and other connections of the two companies when combined will have the advantage of representing and belonging to a much more influential and powerful company, able to deal with the business they offer it, on terms in every respect equal to those given by any other company in the first rank; while the Atlas agents and connections will feel that they are not being detached from those with whom they have been associated for many years past."

The circular issued to the Phoenix shareholders makes a similar statement to the above and refers to the advantages anticipated from the fusion in following terms:

"The advantages which the present Phoenix shareholders will derive from the combination of their company with an old and sound company like the Atlas, which has a valuable and profitable business with an annual fire premium income of nearly half a million, and reserve funds of a still larger amount, must be obvious to every proprietor who is aware of the growing expense of carrying on fire business and the increasing competition amongst the companies.

The directors of the Phoenix Company believe that this union will effect a strengthening of the financial position and of the influence of both companies and an improvement in the prospects of their shareholders. There will be a lessening of competition, an increase in the insuring capacity available for the agents and connections of each company and a reduction in the cost of working by the abolition of many fixed charges now duplicated by the separate existence of the companies."

#### HISTORY OF FIRE INSURANCE IN CANADA.

In continuation of the history of fire insurance in this country, as narrated in a paper by Mr. C. C. Foster, Secretary, Western Assurance Company, the earlier part of which was published in last issue, we now present the second section, in a condensed form, devoted to a history of the more important fires that have occurred in Canada. It is recorded that on the 11th of July, 1750, a fire occurred at Halifax, at one time threatened to destroy the town. In 1759 Quebec was set on fire during the bombardment by General Wolfe. In 1765, on the 26th of May, a fire in Montreal burned 180 houses. Loss \$900,000. In 1768, on the 11th of April, another fire in Mont-