

### THE BIG INSURANCE MERGER

The most important subject in the insurance world continues to be the fusion of interests of the Royal Insurance Company and the Liverpool & London & Globe. The features of this amalgamation are similar to those of others that have taken place recently in the fact that each Company will retain its individuality, so that to all intents, as far as the insuring public is concerned, they remain separate entities. Both companies entered Canada for business in 1851. Twenty-four years later (in 1875) the Royal had a total cash income in the Dominion of \$368,333, and the Liverpool & London & Globe, \$177,979. In so far as the Canadian income of these companies was concerned, it may be said, to have kept pace with the growth of the Dominion. The Royal has maintained its position of having the largest fire premium income of any company operating in Canada for the past fifty years, and of recent years the Liverpool & London & Globe assumed a good second position. The combined total income of both companies for 1918 in Canada amounted to \$3,340,801. These figures do not include the life department. Both companies have been operating important subsidiaries throughout Canada for many years. Any reference to the great prestige enjoyed by the Royal and Liverpool might appear superfluous, but reference might well be made to their liberal treatment of policyholders in connection with the settlement of losses, due to huge conflagrations, and otherwise during the past 68 years of active operation in Canada.

Our contemporary, the Economist, of London, England, in referring to the amalgamation, said:

There has not in the history of insurance amalgamations been so big a fusion as that which is announced from Liverpool. The Royal Insurance

Company is to purchase the shares of the Liverpool & London & Globe, and the joint concern will be the largest and most powerful insurance office in the world. We have had many amalgamations or fusions, or purchases—call them what you will—between British insurance companies during the past 20 years, but we have never had before the fusion of two great composite offices, both of the first rank.

Though this fusion will make the Joint Office the biggest and most powerful insurance company in the world, it will not surpass some of its British competitors except as a fire office. In that department it will be the first, and the erst, by comparison, nowhere. The next biggest British fire office, the Commercial Union, has a fire premium income of five and a quarter millions, little more than half that of the Joint Liverpool Office. But though it will be large, the joint office will not be pre-eminent in its other branches. Both the Northern, which acquired the Indemnity Marine, and the London & Lancashire Fire, which bought the Marine Insurance Company, have larger marine premium incomes. And the Commercial Union, which took over the Ocean Accident & Guarantee Corporation, though beaten by the Joint Office in fire premiums, will be an annual million ahead in its premium income from accident and miscellaneous departments. Size, though not everything, and not necessarily a measure of strength, has its fascinations for ambitious insurance managers, and one may doubt if the Commercial Union, which almost caught up with the fire premium income of the Royal, and has now been so far surpassed, will for long be content to remain a bad second. An office which has been made great and prosperous by judicious amalga-

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## UNDER - INSURANCE

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