

LAW UNION & ROCK INSURANCE COMPANY PROPOSED ACQUISITION BY THE LONDON & LANCASHIRE FIRE INSURANCE CO.

In connection with the announcements made last month by the Press referring to the acquisition of the Law Union & Rock by the London & Lancashire Fire Insurance Company, both of which are so well and favourably known in Canada for very many years. We learn that a preliminary understanding was arrived at early last month by both Companies subject to the assent of the shareholders, by which the London & Lancashire will acquire the shares and undertaking of the Law Union & Rock. The terms of purchase offered are stated to be £10 for the partly-paid shares of the Law Union, and £10 10s. for the fully-paid shares. We understand that it is intended the Law Union will retain its individuality and remain an independent company with a continuance of the present directorate and management.

The income of the Law Union in Canada from interest on investments alone is well over \$600,000 while its total income is in the neighbourhood of \$1,000,000, for the Dominion. The large fire business of the London & Lancashire Fire in Canada and its subsidiaries produces an annual income of over \$1,500,000.

NEW WORKMEN'S COMPENSATION RATES.

Mr. F. F. Michelbacher, the actuary of the National Workmen's Compensation Service Bureau, of New York, was in Montreal on Monday and Tuesday, explaining to members of the Eastern Casualty Underwriters' Association the workings of the new system of Workmen's Compensation Rating which was put in operation by the American Bureau and is now being adopted by the local association.

With the increase of Workmen's Compensation business in the United States it became evident some time ago that a more exacting system of rate making would have to be adopted, and the services of competent actuaries were employed for this purpose. Millions of dollars of pay-roll representing all classes of hazard were thoroughly examined by these experts and a system of elaborate formulae devised as a basis upon which to calculate rates scientifically correct not only for every class of risk but for individual risks in the class.

The new system is undoubtedly vastly superior to the older methods of underwriting and will come into force in the Province of Quebec on the first of April.

THE NORTH WEST FIRE INSURANCE COMPANY

HEAD OFFICE - - WINNIPEG

G. R. Crowe, President.
T. L. Morrissey, General Manager.

Geo. V. Hastings, Vice-President.
Thos. Bruce, Deputy Manager.

35th Annual Report, 1918

REVENUE ACCOUNT

RECEIPTS.		EXPENDITURES.	
Net Premium Income	\$143,800.44	Losses	\$ 69,178.43
Interest	16,935.44	Expenses	50,045.75
		Balance	41,511.70
	<u>\$160,735.88</u>		<u>\$160,735.88</u>

BALANCE SHEET

ASSETS.		LIABILITIES.	
Cash on Hand and in Banks	\$ 54,196.35	Capital Stock (subscribed) paid up	\$100,000.00
Agents' Balances	13,089.29	Reserve for Unearned Premiums	113,281.26
Bills Receivable	115.19	Losses Outstanding	10,154.00
Debentures and Mortgages	280,975.09	Reserve, Government Taxes	3,963.51
Accrued Interest	9,295.67	Surplus	130,364.55
Sinking Fund	91.74		
	<u>\$357,763.33</u>		<u>\$357,763.33</u>