

YORKSHIRE INSURANCE COMPANY, LIMITED.

The fact is worth remarking that a number of the great English insurance institutions which now transact business all over the world had their origin, not in London, the financial clearing house, but in important English provincial centres. Yorkshire, Lancashire and the eastern counties have played, and continue to play, a very important part in English insurance, their contribution to its fabric being of that sturdy, energetic yet cautious kind that study of their characteristics would suggest. Among these English provincial organisations, the Yorkshire Insurance Company, Limited, constitutes a worthy representative, in many fields, of the county of broad acres. In age, within a few years of its centennial, in reputation, holding an enviable position, in progressiveness, second to none, the Yorkshire possesses a record of honourable and prudent insurance service that reflects the highest credit upon those who have been in the past and are at the present time associated with it. As is well known, the Yorkshire has in recent years considerably extended the scale of its operations and enlarged the variety of its underwriting, partly through a series of amalgamations judiciously conceived, of smaller companies specialising in various branches of the insurance field. A high grade of business has been secured, which is being steadily developed by the Yorkshire's management, who are able to point to a remarkably fine financial position as convincing evidence of the Company's ability to protect its policyholders.

FIRE DEPARTMENT'S RECORD.

The record for 1915 of the fire department, which remains the Yorkshire's most important activity, indicates that in the difficult circumstances of last year, favorable results were secured. While the net premium income shows a slight decrease in comparison with 1914—being \$2,239,700 against \$2,279,000—this falling-off was more than compensated for by an improved loss experience. Losses absorbed only \$1,152,435, a ratio of 51.5 per cent. to premium income, against \$1,235,745 or 54.2 per cent. in 1914. Commission, expenses and contributions to fire brigades, amounting in all to \$848,850, were \$17,000 less than in 1914 and in the same ratio to premiums of 38.0 per cent. as in the preceding year. A reserve for unexpired liabilities of \$895,900 having been retained, the Yorkshire was able to transfer \$292,100 to profit and loss account as a result of the year's operations in its fire department.

The details of the funds available to meet the claims of the Yorkshire's fire policyholders show a position of financial strength available to meet every possible contingency. In addition to the reserve for unexpired risks of \$895,900 there is a general reserve of \$2,275,820, and a profit and loss account balance of \$369,320, a total of \$3,541,040, equal to over 158 per cent. of last year's premium income, apart from the large paid-up and uncalled capital. No policyholder could wish for anything better than this.

OTHER DEPARTMENTS.

In numerous other departments of the Yorkshire's extensive connections, an increased business was transacted during 1915, and a strong financial

position is maintained. Employers' liability premium income, amounted to \$533,330, a slight advance of about \$3,000 on 1914's income, claims incurred absorbing \$246,475, a satisfactory decrease of about \$25,000 from the experience of 1914. The reserve for unexpired liability is increased to \$213,350 and provision for outstanding claims to \$217,370.

The general insurance account embraces many branches of underwriting, including burglary, live stock, automobile, fidelity, third party, plate glass, boiler, etc. Premium income last year was \$1,445,250, claims paid and outstanding being \$788,850, equal to 54.5 per cent. of premium income, compared with 52.9 per cent. last year. Reserve for unexpired liability is raised to \$578,100 and the carry forward is increased by \$40,000 to \$248,315.

THE YORKSHIRE IN CANADA.

The Yorkshire has been operating in the Canadian field since 1907 under the management of Mr. P. M. Wickham, of Montreal, and an important Canadian business is transacted by the Company, which has the advantage of being well-located in its own building on St. James Street, Montreal.

Last year, the Yorkshire received in fire premiums in Canada, \$360,769 and incurred net losses, \$207,017. In addition to its fire business, the Yorkshire transacts in Canada live stock insurance, it being the only British company licensed by the Dominion Government to carry on this form of insurance in Canada. A Canadian accident department has also been established in recent years, transacting personal accident, automobile, employers' liability, teams, general liability and plate glass insurance. The Yorkshire's total assets exceed \$26,000,000. Its excellent financial position and fine reputation should ensure for the Company an increasing patronage in Canada.

ORGANIZATION OF NEW INSURANCE COMPANIES.

The organisation of insurance companies in Canada, remarks Superintendent G. D. Finlayson in his report for 1915, has in the past been attended as a rule by very great expense. The present Act contains a provision by which the expenses of organisation must be defrayed out of premium contributed by the shareholders of the company, so that on starting business, the company's capital shall be unimpaired. While this provision is a great advance on the pre-existing legislation, it is desirable, says Mr. Finlayson, that discretion should be given to the Treasury Board to refuse a license to a company in which the expenses of organisation, even if defrayed from premium on capital, have been unduly great. The amendment which is necessary, is a provision that all payments for commission for sale of stock, and other expenses of organisation other than for salaries, travelling expenses and such unavoidable expenses, shall be deferred until after the Company is in a position to commence business, and that if it appears to the Treasury Board that the liabilities arising out of the organisation of the company are excessive, the license shall not be granted.

The Stuyvesant Insurance Company, of New York, has applied for a Dominion license to transact fire insurance in this field.