

THE WESTERN ASSURANCE COMPANY.

The Western Assurance Company, Toronto, is one of the most widely known and most highly esteemed fire companies on this continent. Its history goes back to sixteen years before Confederation, at a time when this country was beginning to feel the impulses of a growing nation. One of the signs of the coming expansion of Canada was the organization of native enterprises. One of the most successful of these has been the Western, incorporated in 1851. In its long and distinguished career it has witnessed the steady and substantial growth of the Dominion. Some twenty years ago the Western adopted the course so successfully followed by the leading British companies of extending its business beyond the bounds of one continent. For this purpose a branch was opened in London, England, with an influential local board of directors now under the Chairmanship of the Right Hon. Sir John H. Kennaway, Bart., C.B., so that to-day the Western is well-known in both hemispheres. Operating in the fire and marine department it has experienced the fluctuations of fickle fortune to which these branches are peculiarly liable, but these ups and downs have helped to establish and confirm a reputation for straightforward and honourable dealing that has stood it in good stead, and leads to continual enhancement.

For the past four years, including 1918, the Western enjoyed a total experience which can only be considered highly favourable, and this notwithstanding a contraction in marine premiums for 1918, and an unfavourable loss ratio, causing a debit balance in this Department of \$111,000 which has been more than offset by other favourable features in the statement for 1918.

The Fire Department's Year.

The results of the fire department for the year under review are such as to afford the company a fitting reward for the discrimination with which its business has been conducted under the present management. Net premiums in the fire department last year at \$3,213,537 show an expansion of \$305,764 over those of the previous year. Accompanied by this satisfactory expansion, is a favourable loss ratio figuring at 48.47 per cent., the net losses amounting to \$1,556,762. This compares with a loss ratio of 54.1 per cent. in 1917. After payment of expenses of all kinds and taxes, the latter further increased during the year, there remains a balance of \$370,306 to be carried to profit and loss account from this department, compared with \$236,766 in 1917, an increase of no less than \$133,540. It may be said that the fire branch continues on the whole a predominating factor in the Company's operations, and the administrative ability which has been so marked a feature for some years in this department, was never more

strongly in evidence than in the year under review.

Interest and rents have increased from \$133,989 to \$181,963 as at 31st December last, this amount added to the underwriting profit for the year, as also an amount of \$121,660 for net increase in value of securities, we have the large amount of \$562,929, and as the reserve for unearned premiums on the Government standard was reduced by \$69,183, the improvement for the year is no less than \$632,113.

From this amount two half-yearly dividends on Preference Stock amounting to \$70,000 were paid, \$50,000 has been carried to reserve to provide for taxes accrued but not yet due, and another \$50,000 has been put to a new reserve against future possible depreciation in securities.

It will be of interest to shareholders to know that the interest account is now of such a size that in itself it can give not only the Preference Stockholders their dividend but has enough left to provide a 7½% dividend to the common shareholders, and this without touching the underwriting profit on the business.

The balance in hand as at 31st December, 1917, amounting to \$1,920,911 is increased by \$392,000 to \$2,312,911. The surplus to policy-holders has increased from \$2,007,399 to \$2,468,583. The assets have been increased by \$763,950 to \$7,157,538.

The President and Managing Director of the Company is Mr. W. B. Meikle, under whose wise direction the Western has made rapid headway through a difficult period.

In Montreal the Western is represented by Mr. Robert Bickerdike, a director of the Company, and a most influential and respected business man well known throughout the Dominion.

NORTHERN LIFE ASSURANCE COMPANY.

The new business issued and revived by the Northern Life Assurance Company, of London, Ont., during 1918 amounted to \$3,411,300, slightly less than in the preceding year, due no doubt to a cautious and conservative policy during a year when conditions were unfavourable for a continuation of expansion in business, more especially for the younger companies. The insurance in force was increased during the year 1918 to \$13,724,762, a growth of \$1,289,535. The income for the year advanced to \$674,708, a satisfactory growth of \$45,889. Total payments to policy-holders during the year amounted to \$239,332. This amount compares with \$201,867 paid policy-holders in 1917, an increase of \$37,465, as a result of the heavy mortality caused by the war and the epidemic, which affected many companies much more heavily.