

BRITISH LIFE ASSURANCE.

What the British life companies did last year is summarised in official publications which have lately come to hand. In spite of what would be thought on this side old-fashioned and obsolete methods, the British life companies manage to get the business and lots of it. In regard to ordinary life business in the United Kingdom only, the number of policies issued was 261,334, an increase of 16,197; the net sums assured were £52,570,773, an increase of £2,801,532; the single premiums were £475,641, an advance of £76,396; and the yearly renewal premiums amounted to £2,139,999, a rise of £156,758. Ordinary business out of the United Kingdom showed a reduction in the number of policies issued, but an increase in the amount assured. The number of new policies was 19,523, or 363 less than for the preceding period; but the sums assured show, at £8,259,695, an increase of £27,805. The single premiums, at £3276, are £4841 down; but the yearly renewal premiums of £354,366 indicate an addition of £4526.

NEW INDUSTRIAL BUSINESS.

The industrial life business of the various offices is confined to the United Kingdom, and here the effects of the National Insurance Act are very apparent. The disturbing influence exerted by this measure in its earlier stages must be held largely responsible for the fact that both in number of new policies issued, and the total amount assured, a shrinkage is apparent. The policies numbered 7,719,156, a fall of 188,021; while the sums assured thereby, although amounting to £75,393,103, are £1,113,169 below the total for the period preceding.

Judging, however, by the industrial life assurance companies' reports published during this year (1914), the setback has proved only temporary and has been followed by a spell of unprecedented activity.

REVENUE ACCOUNT FIGURES.

The general prosperity of life assurance business is well reflected in the summaries of revenue accounts. The ordinary branch shows: Premiums from business within the United Kingdom, £27,122,977, an increase of £651,397 in succession to an increase of £607,260 in the last return; and premiums from business out of the United Kingdom £3,273,922, an increase of £42,285. Interest, less tax, yielded the large sum of £14,221,215, an increase of £550,486 in succession to one of £503,872. An increase of £142,544 in the value of investments, and a sum of £45,464 from miscellaneous receipts, complete the income.

For business within the United Kingdom the amount disbursed in claims was £21,081,986, in surrenders £2,289,670, in annuities £2,500,313, in bonuses in cash and in reduction of premium £1,137,900, and in commission £1,307,093. The corresponding figures in regard to business out of the United Kingdom were £2,419,997, £462,849, £125,825, £64,840, and £278,460, respectively. Expenses of management, which are not similarly subdivided, came to £2,376,221 (indicating a reduction of £58,867 notwithstanding the increased premium income), shareholders' dividends and profits took the very modest sum of £429,949, and depreciation written off and transfers to investment reserve, taken together, at £1,830,418, complete the outgo. The life assurance fund rose from £359,495,826 to £370,474,483, an increase of £10,978,657, in succession to one of £11,565,500, the somewhat smaller

saving on the year being due to the increased amount written off for depreciation or transferred to investment reserve.

In the industrial branch the premiums were £16,690,937, an increase of £413,428. The receipts from interest, less tax, were £1,849,061, an increase of £132,185; and miscellaneous receipts came to £146,210. On the other side of the account claims called for £6,844,823, surrenders for £319,945, commissions for £4,158,449, and expenses of management for £3,171,556. Shareholders' dividends and profits took £737,358, and miscellaneous items (consisting mainly of transfers to investment reserve) 540,592. At the end of the year the life assurance fund stood at £52,223,928, an increase of £2,913,485—an amount only slightly less than in the year before, when it was £2,955,849.

ASSURANCES IN FORCE.

One of the most interesting of the tables is that dealing with the number and amount of the total assurances in force, reflecting—as it does—the changes in popularity of different classes of policy. Insurance, in fact, says a London correspondent, often supplies a kind of running commentary upon contemporaneous events. It has for a long time been well known that endowment assurance policies, with profits, were quickly overtaking whole life with profit policies in point of popularity. Who would have thought a few years ago, however, that whole life without profit policies would show a greater rate of increase than those with profits? But the advent of the heavy death duties now in force has led to a demand for a cheap form of assurance to cover the inland revenue demands, and the offices have not been slow in responding with contracts giving the maximum of cover at the minimum of premium. These policies are, of course, without profits, and the total figures indicate a rapid increase.

The statement of assurances in force is prepared from the last valuation returns and cannot, in the nature of things, be brought quite so closely up to date as some of the other figures, inasmuch as, although annual valuations are becoming more numerous, the usual period covered is a quinquennium. The total results arrived at, however, supply valuable material for a wide survey of the business and form an excellent indication of the trend of public opinion.

The following are the numbers of policies, sums assured, and increase or decrease compared with previous year of ordinary business:

Whole term of life, 795,520, £353,457,518; —£2,859,530; limited premiums, 73,090, £43,800,393; +£196,020; endowment assurances, 1,641,463, £270,053,218; +£7,568,275; joint lives and joint endowment assurances, 60,861, £7,827,946; +£405,247; contingent and issue, etc., 8,124, £4,721,939; —£675,504; total, 2,579,058, £679,861,014; +£4,634,508.

Perhaps the most striking points in connection with the above are the decrease of £2,859,530 in the sums assured under whole life with profit policies, and the increase of £3,749,585 in the sums assured by whole life without profit policies.

Yesterday's Bank of England statement showed a proportion of reserve to liabilities of 42.24, against 43.60 last week. Bank rate was continued at 3 per cent.