

# CASUALTY, GUARANTEE AND MISCELLANEOUS UNDERWRITING IN CANADA, 1910.

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## MISCELLANEOUS.

Additionally there are a number of minor kinds of insurance carried on by companies reporting to the Dominion Superintendent of Insurance. Their 1910 business, which is not, of course, in many instances the whole of a particular kind of insurance transacted in Canada, in summed up in the following:—

|                                      | Premiums of<br>the year | Losses<br>incurred | Policies<br>new and<br>renewed | Net amount<br>in force |
|--------------------------------------|-------------------------|--------------------|--------------------------------|------------------------|
| Burglary . . . . .                   | \$55,934                | \$16,452           | \$6,597,123                    | \$6,147,764            |
| Personal Property . . . . .          | 13,830                  | 3,270              | 1,811,479                      | 1,347,779              |
| Hall . . . . .                       | 226,587                 | 73,549             | 3,715,738                      | .....                  |
| Steam Boiler . . . . .               | 111,430                 | 3,359              | 12,275,796                     | 28,102,416             |
| Inland Transporta-<br>tion . . . . . | 110,163                 | 55,011             | 162,486,806                    | 1,401,260              |
| Plate Glass . . . . .                | 151,371                 | 61,043             | .....                          | .....                  |
| Contract . . . . .                   | 72,939                  | 4,526              | 7,733,652                      | 7,647,237              |
| Title . . . . .                      | 2,910                   | None               | 189,610                        | .....                  |
| Tornado . . . . .                    | 588                     | None               | 121,790                        | 161,780                |
| Live Stock . . . . .                 | 86,645                  | 51,025             | 2,306,043                      | 785,892                |
| Automobile . . . . .                 | 52,125                  | 24,932             | 4,374,580                      | 2,967,602              |
| Weather . . . . .                    | 4,369                   | 483                | 553,543                        | 539,011                |
| Sprinkler Leakage . . . . .          | 4,823                   | 100                | 748,100                        | 742,000                |

## STANDARD LIFE ASSURANCE COMPANY.

The annual report of the Standard Life Assurance Company, of Edinburgh, a summary of which is printed on another page, is this year of more than usual interest, since there is included in it the results of the valuation for the quinquennium, which ended coincidentally with the Company's year, on November 15 last. The results of this quinquennial valuation are, to policyholders, of an eminently satisfactory character. Made upon a thoroughly stringent basis, in accordance with the conservative practise of this well-known office, the valuation enables a most satisfactory bonus to be declared and shows that in the Company's present strong position, there is excellent prospect that the satisfactory bonus rate will be maintained in the future.

With regard to the business of the year, the Company's position at November 15th, 1910, in comparison with its position twelve months previously, is set out in the following table:—

|                                        | 1909        | 1910        |
|----------------------------------------|-------------|-------------|
| Net amount of new assurances . . . . . | \$9,511,525 | \$9,006,469 |
| Claims . . . . .                       | 4,536,007   | 4,082,427   |
| Subsisting Assurances . . . . .        | 141,255,968 | 143,273,119 |
| Revenue . . . . .                      | 7,408,272   | 7,503,484   |
| Total Assets . . . . .                 | 62,282,977  | 63,549,153  |
| Current Liabilities . . . . .          | 1,200,613   | 1,331,937   |
| Total Available Funds . . . . .        | 61,082,364  | 62,217,216  |

It will be seen from this table that during last year an addition of \$1,134,852 was made to the funds, which now reach the large figure of \$62,217,216. Of the total revenue of \$7,503,484, an increase of nearly \$100,000 upon the revenue of the previous year, no less than \$2,630,608 was derived from investments. Upon these investments the satisfactory rate of interest was obtained of 4.28 per cent.

Turning to the quinquennial investigation, attention may be called to the very stringent and highly conservative lines on which it has been carried out. The assets were valued upon an exceedingly severe

basis. Full provision was made for depreciation in every case; stocks, shares and bonds, which had appreciated in value, were taken at their ledger values; those which had depreciated from their ledger values, at their market values. At the time that the valuation was made, values were much depressed, and since then markets have improved, but since the directors are convinced that a conservative policy in dealing with the investments, as a whole, is in the interests of the Company, they adopted the method of valuation outlined.

Liabilities also have been valued upon an exceedingly stringent basis. The Om. table with 3 p.c. interest throughout has been employed for all risks other than those in the East and West Indies, in which case the Company's own experience tables with interest at 3 p.c. have been employed. For life annuities, the Oa. table with 3 p.c. interest has been employed. At the 1905 investigation, the life annuity business was valued partly on a 3 p.c. basis, and partly on a 3½ p.c. basis, but, as stated, that business has now been wholly placed upon a 3 p.c. basis. Moreover, the favorable rate of interest earned on the funds (4.28 p.c.) leaves a margin of over 1¼ p.c. above the valuation rate.

The sum now divisible among the policyholders is \$3,760,060, the greater part of this being absorbed by the Equal Scheme policyholders, who receive the handsome bonus of \$15 per \$1,000 per annum. This, so far as Canadian policies are concerned, is the highest rate ever declared by the Company, and the liberality of the allotment, following upon so stringent a valuation, will be highly agreeable to policyholders throughout the Dominion. The total reversionary bonus corresponding to the cash values proposed to be distributed by the Company is \$5,701,700.

For many years, the Standard Life has been honorably and widely known in the Canadian life insurance field, which it entered so long ago as 1847. At present, its assets in Canada are \$15,500,000, its liabilities being \$8,600,000, so that there is an excess of assets over liabilities of practically \$7,000,000. The net amount of the Company's insurance in force in the Dominion at December 31 last, was nearly \$23,000,000. In Canada, as elsewhere, the Standard Life's management has always been marked by conservatism and care. With its many millions of Canadian investments of the highest grade, the Company may be said to have played a considerable part in the work of building-up the Dominion. Under the continued able management of Mr. D. M. McGoun, it will doubtless, continue to occupy a prominent position in the Canadian insurance world.

PRICE MOVEMENTS.—The London Economist's end of April index number is 2554, which is a rise of 18, comparing with the end of March figure—2536. Cottons are chiefly responsible for this advance, the figure of the textile group showing an advance of 27—from 602½ to 629½. Cereals and meat contribute 8 to the advance. The figure of the mineral group is unchanged from 422. Rough products, such as timber, leather, rubber and chemicals, are 14½ lower for the month. The end of March index figure was identical with that of February.