

# The Ontario Accident Insurance Company

The Sixth Annual General Meeting of the Shareholders was held at the Company's Offices, No. 3 Toronto Street, Toronto, on Monday, the 17th February, 1902, at 2 o'clock p.m.

The following Shareholders were present:—W. H. Pearson, A. W. Thomas, Dr. Larratt W. Smith, A. L. Eastmure, R. Shaw Wood (London), F. J. Lightbourn, J. F. Smith, K.C., George W. Monk, R. Grass, J. Herbert Mason, Dr. William Oldright, John Greer, G. A. Stimson, and 53 Shareholders represented by proxy.

The chair was occupied by the President, Dr. Larratt W. Smith, and Mr. F. J. Lightbourn, the Secretary, acted as Secretary of the meeting.

The notice calling the meeting having been read by the Secretary, the President submitted the Report, together with the Financial Statements, and said:—

Gentlemen:—

In submitting for your approval the Sixth Annual Report of the Company's affairs, I am able to follow a precedent established in previous years, and to point again to a very considerable increase in the volume of its transactions.

The gross premiums on policies issued and renewed during 1901, particulars of which are more fully given in the statements laid before you, amounted to \$108,624.77, as against \$88,495.83 in 1900, and \$71,857.36 in 1899, results which indicate, in no uncertain way, that the Company's popularity has been well maintained, and that its methods and plans continue to satisfy almost every modern requirement in casualty underwriting. The beneficiaries under the Company's policies during the year numbered 1,175, and their claims, representing \$52,056.06, were promptly adjusted and paid. The total income from premiums since the Company began business has now reached, in the aggregate, the sum of \$371,320, whilst \$158,223.80 has been distributed in benefits, distributed, in all, among 3,531 persons, and creating an average loss ratio upon the entire transactions to date of 43 3-5ths per cent.

The Reserve, which may be regarded as fairly indicating the progress made, now stands at \$22,500, as against \$21,000 in 1900, \$20,000 in 1899, \$15,000 in 1898, \$11,000 in 1897 and \$8,823.01 in 1896, showing, it will be observed, steady and substantial growth, whilst as a contingency fund, to cover supposed or possible losses, the sum of \$5,000 has also been provided.

In all branches of liability underwriting there has been a marked increase in the risk; and while the advance in rates, noticed at our last annual meeting, has continued, the altered conditions created by the ever-changing decisions of the Courts, on the subject of factory and other accidents, will doubtless necessitate further revision, and the adoption of rates and methods better calculated to meet what are now fully recognized to be growing hazards.

During the year the Board, in common with a large circle of relatives and friends, had reason to lament the sudden demise, under peculiarly painful circumstances, of their late fellow Director, Mr. Edward L. Bond, of Montreal. A resolution expressing the Directors' sense of the loss sustained was duly inscribed on the minutes of the Board, and a copy thereof forwarded to his sorrowing family. The Directors, acting in accordance with the provision of the by-laws in that respect, unanimously elected Mr. Thomas Fyvie, General Manager of the Merchants' Bank of Canada, Montreal, and one of the Company's earliest shareholders, to fill the vacancy thus created, whose acceptance of the seat will not only add strength to the Board, but will be productive of increased success to the Company's business in Eastern Canada.

It would be remiss on my part were I not to do justice to the continued zeal and efficiency displayed by the Company's general and district agents, distributed as they are over every part of this wide Dominion. To the Vice-President and Managing Director, the Secretary and the Head Office Staff, we are especially indebted for the sound judgment they have invariably brought to bear upon every department of their important work, without which success would be difficult of attainment. Aided by these gentlemen, the Directors' task has been a comparatively easy one, and I venture to hope that, pursuing the same conservative policy which has always been a leading feature with this Company, and with an established Reserve, commensurate with every requirement, we shall be enabled, as time goes on and our success continues, to fulfil the best ex-

pectations of the shareholders and of all associated in the Company's work. I will now formally move, seconded by the Vice-President,

"That the Sixth Annual Report, now submitted, be adopted, and that the same, together with the Financial Statements read therewith, be printed, and a copy thereof forwarded to each of the shareholders." But before asking your vote I shall be happy to give any information that may be required upon the statements laid before you.

Mr. A. L. Eastmure, the Vice-President, in seconding the motion for the adoption of the Report, remarked:—

That Accident Insurance in Canada had become an important and growing business. In former years the aggregate transactions were small, and, in the absence of rates based on Canadian experience, the practice had been to rely largely on foreign manuals; but with the ever-increasing industrial activity prevailing throughout the Dominion, Accident Insurance was rapidly advancing, and had now come to the front. The movement had been sudden, and much of the business, being new, was still in a transition state, and rates had not been upon as firm or certain a basis as was desirable. Companies had seemed anxious to take advantage of the improved trade conditions, and to secure volume rather than to consider the sufficiency of the rate, feeling, possibly, that the time had not yet come when this could be determined with sufficient accuracy. It was a question whether, in the eagerness to obtain a present income, the limits of prudence were not frequently overstepped. He believed the time was not far distant when Head Office methods would be modified, and, instead of every energy being devoted to securing risks, attention would have to be given to framing and enforcing a proper tariff, particularly for Workmen's Protective, Liability and Sickness lines. The movement in that direction mentioned at our previous meetings had made some progress, but was retarded owing to the difficulty in securing uniform action by all the companies.

The "Ontario Accident" had made substantial gains during the year, due, he believed, to the efficiency of its field representation, the variety and flexibility of its systems, and also to its excellent financial position. The Company issued 4,511 policies in 1901 for \$11,382,233, as against 4,068 for \$11,216,650 in 1900, whilst the premium income had increased to the extent of \$20,694.14 over that of the preceding year. The customary provision had been made for any unreported or possible losses, and, after paying the shareholders' dividend, a substantial addition had been made to the Reserve. A further increase in the Company's transactions might be expected during the coming year, the results from which would, he hoped, prove satisfactory.

In closing, Mr. Eastmure drew the attention of the meeting to a finely-executed oil portrait of the Company's President, Dr. Larratt W. Smith, which had just been hung upon the Board Room wall; and, at the same time, thanked him for his kindly reference to the work performed by the Head Office and Agency staffs.

The Report was adopted unanimously, after which it was moved by Mr. W. H. Pearson, seconded by Mr. J. F. Smith, and carried:—

"That the thanks of the Shareholders are justly due to the Company's General and District Agents in the several Provinces for the zeal and efficiency displayed by them in their several departments during the year."

On motion, Messrs. Clarkson & Cross were re-appointed auditors for the ensuing year.

Mr. A. W. Thomas and Mr. John Greer, having been appointed scrutineers, reported the following gentlemen elected as Directors:—Larratt W. Smith, A. L. Eastmure, W. H. Pearson, J. Herbert Mason, R. Shaw Wood (London), Lieut.-Col. R. E. C. Jarvis, J. N. Shenstone, Thomas Fyvie (Montreal) and J. H. Prock (Winnipeg).

After the usual votes of thanks to the President, Vice-President, Directors, Secretary and officials in the office, the meeting adjourned.

At a meeting of the Directors held immediately after the Annual Meeting, Dr. Larratt W. Smith was re-elected President and Mr. A. L. Eastmure Vice-President of the Company.

EXECUTIVE COMMITTEE.—Messrs. Larratt W. Smith, A. L. Eastmure and W. H. Pearson.