

COMMERCIAL UNION ASSURANCE COMPANY.**44TH ANNUAL GENERAL MEETING.**

The report of the Commercial Union Assurance Company submitted to the shareholders at the 44th annual general meeting on 9th inst., was a highly favourable exhibit of the results of the business in 1905.

It was a most disappointing experience after so satisfactory a year, when the management was anticipating the congratulations of the shareholders, to have such a calamity befall the company, in common with well nigh all the fire insurance companies, by the conflagration at San Francisco.

However, congratulations are still in order based upon the capacity of the company to meet such extraordinary losses without any material injury, or reduction of financial strength.

The net premiums for 1905 amounted to \$10,373,945, being an increase of \$535,385 over the amount in 1904. The losses paid and outstanding were \$4,689,600, being 45.2 p.c. of the premium income.

From the profits of this Department the sum of \$825,000 was carried to profit and loss. After providing for outstanding losses the fire fund at close of the year stood at \$11,243,395, as compared with \$9,915,000 at close of 1904, the increase resulting from the business of 1905 having been \$1,338,395.

The balance sheet of the Commercial Union Assurance Company for 31st December, 1905, shows the subscribed capital to be \$12,500,000, of which \$1,250,000 is paid up. The general reserve fund, and other funds make an aggregate of \$2,769,635, and the fire fund is \$11,243,395. The total assets owned by the company are stated to be \$61,018,365, inclusive of life fund \$15,675,300, west of England Life Fund \$3,445,000, and Hand in Hand Fund \$17,831,700.

The Canadian business yielded \$539,213 in net cash for premiums last year, and \$14,781 for interest on investments. The amount paid for losses was \$223,062. The Commercial Union is represented in Canada, by Mr. James McGregor, who is one of the most respected underwriters in Canada.

THE BRITISH BUDGET.

The salient features of the Budget just brought down by Mr. Asquith, chancellor of the Exchequer, may be described in a few words. His speech was masterly in one sense, but weak in others. His exceedingly elaborate statement of financial details was so clear as to be readable without strain, but, it was not wise to extend and load a Budget Speech with such a mass of details. Having waded through every line we endorse the phrase of the Hon. Mr. Chamberlain, "This hum-drum Budget."

The chief item was the total national expenditure last year, which was \$702,560,000, the revenue being \$719,890,000, leaving a surplus of \$17,330,000.

The national debt stands at \$3,949,950,000, or £788,990,000. In the last 10 years the debt has been increased to extent of over \$680,000,000, or 21 p.c., the population having increased only 10 p.c., and the national expenditure 30 p.c. It is a matter of surprise that the Chancellor of the Exchequer and a number of financial journals should have recited and dwelt upon these percentages as to population, as they have really no significance. If a Chancellor of Exchequer were bound to regulate the national revenue and expenditure in some formulated proportion to the population, he would be in as ludicrous a position as though the hero of a comic opera.

The British revenue expanded last year owing to the growing trade prosperity of the country which had raised the spending power of the people. The surplus was in part devoted to a reduction of the coal duty, and the tea duty, \$12,500,000 was used to reduce the debt, and the balance to postal reforms, etc. Alarmists over the heavy debt of Great Britain might brace their nerves by considering what the debt was many years ago. In 1817 the total funded and unfunded debt of Great Britain was \$4,204,250,000 (£840,850,490), which exceeds the present amount by \$254,300,000. At that period, nearly 90 years ago, the resources of the country were not one-quarter what they now are. The cotton industry was very restricted, the raw cotton imported being then only a thirtieth of the present supply.

The Chancellor of the Exchequer is to be commended for determining to reduce the floating debt. He said:

"It must be obvious that it would seriously hamper our borrowing powers if a sudden emergency arose for which temporary provision had to be made, and secondly it means that the Government is competing for and locking up funds that might be available for commercial and industrial purposes."

This policy will tend to relieve the money market of a pressure from the Government which has often been an embarrassing influence.

He has decided also to pay outlays on new public works as far as possible from current revenue instead of resorting to loans the lase of raising money by which has been most demoralizing. Of course, very large expenditures will still have to be financed by loans, but the Chancellor of the Exchequer is determined to inaugurate and pursue a new system by placing the burden of new works on current revenue.

The estimates for 1906 anticipate a revenue of \$161,150,000, from customs, \$150,000,000, from excise, \$66,000,000 estate duties, \$40,750,000 stamps, \$3,500,000 land tax, \$9,750,000 house duty, \$157,500,000 property and income tax. The United Kingdom is not quite as much a land of free imports as some theorists speak of.