

LIVERPOOL & LONDON & GLOBE COMPANY.

Conflagrations in all parts of the world making immense demands upon the funds of the Liverpool & London & Globe Company have only given so many proofs of its solidity and financial strength. The company has always had the capacity for accumulating funds upon a colossal scale, and the ravages caused by the San Francisco disaster of 1906 have now been more than made good. Last year, indeed, was one of the best and almost the very best that this great and wealthy office has known in the course of its history of nearly three quarters of a century.

In every section of the business 1909 was a year of steady progress. In the fire department the net premium income has been increased to a total of \$13,317,255, an advance on 1908 of no less than \$299,935. Moreover, as the chairman of the company pointed out at the recent annual meeting this increase has been effected "without any relaxation of the caution in underwriting which has always guided the operations of the company." The net fire losses in 1909 were \$6,536,770 or a ratio to the net premium income of 49.08 per cent. The ratio for 1908 was 53.7 per cent. so that in this respect there is a most satisfactory falling off in losses equal to 4.62 per cent. Expenses and commission in 1909 came to \$4,666,880, a ratio of 35.04 per cent. so that on fire account there is a trading profit, subject to unexpired liability, of \$2,113,605. These figures of gross profit have only been previously exceeded in 1907, when they were \$2,129,265. Of the gross profit of 1909, the directors, pursuing their habitual policy of building up great reserves, have placed no less than \$410,010 to reserve for unexpired risks, so that the net fire profit carried to profit and loss account is \$1,703,595. The reserve for unexpired risks now amounts to \$6,000,000; a suspense account amounting to \$89,990 having been placed to its credit at the close of 1909 in addition to the allocation above mentioned so that the total allocation for unexpired risks made in 1909 was \$500,000.

The whole balance sheet of the company indeed shows great and steadily increasing financial strength. Its assets now amount in the aggregate to a sum of \$8,679,850. There is a life assurance fund of \$17,204,710; an annuity fund of \$6,360,035; a general reserve fund of \$8,000,000; a reserve for unexpired fire risks of \$6,000,000; a general accident reserve fund of \$100,105; and an employers' liability reserve fund of \$172,615. The company's income in 1909 aggregated \$17,250,250; while it has paid in claims since its commencement no less a sum than \$264,648,665. Figures of this kind, revealing as they do a position of commanding strength must be extremely gratifying to Mr. A. G. Dent, the secretary and general manager at the home office to whom cordial congratulations upon his company's fine position are due.

In the Canadian field, which the company entered in 1851, the name of the London & Liverpool & Globe is, of course, a household word. Last year the net cash received for fire premiums in Canada by the company was \$1,151,480 and the net losses incurred were \$648,743. In the 41 years, 1869 to 1909, the company has received in Canadian premiums \$16,393,877 and paid out in losses \$10,701,836. Under the able management of Mr. J. Gardner Thompson, of Montreal, the Liverpool & London & Globe's Canadian business will, no doubt, continue steadily to extend as the company's important position merits.

FIRE INSURANCE IN CANADA DURING 1909.

The table given on page 919 of THE CHRONICLE of the fire insurance done in Canada during 1909 shows on the whole a satisfactory state of affairs. Fire insurance like every other branch of trade and commerce in the Dominion is a growing business. Last year the gross amount of risks taken by the three classes of companies—Canadian, British and United States—was up to \$1,577,817,321, compared with \$1,466,294,021 in 1908. Upon these risks total premiums were received of \$16,870,838 as against \$17,027,275 in 1908. Thus while the risks written are larger the premiums are less than those of the previous year, so that the rate has been reduced in consequence of improved fire appliances, etc. The net cash paid during the year for losses was \$8,639,760, a ratio to premium received of 51.21 per cent. This is a most satisfactory falling off from the figures of 1908 when the net cash paid during the year for losses aggregated \$10,279,454, and the ratio to premiums received was 60.37 per cent.

The high loss ratio of 1909 was due largely to the conflagrations at Fernie and Three Rivers; in 1907 the loss ratio was 54.23 and in 1906, 46.73. Going farther back, it may be recalled that in the forty-one years which have elapsed since Federation in 1869, the whole of the fire insurance companies working in Canada, as was shown in the table on page 839 of THE CHRONICLE of June 10, have an average ratio of losses paid to premiums received of 64.2, a figure which, as was then pointed out, after allowing for expenses and reserve for unexpired risk, leaves practically nothing in the way of profit. That in these circumstances the decided fall in the ratio of losses during 1909 is heartily welcomed there can be doubt, especially by Canadian companies to whom 1908 was a particularly trying year.

The respective shares for 1908 and 1909 of each of the three classes of companies operating in Canada in these premiums and losses are shown in the following table:—

	Gross Amount of Risks taken during year		Premiums Paid thereon.		Net Cash Paid during Year for Losses		Ratio of Losses Paid to Premiums received	
	1908	1909	1908	1909	1908	1909	1908	1909
	\$	\$	\$	\$	\$	\$		
Canadian Companies	423,764,660	453,274,150	3,819,375	3,764,349	2,655,224	2,117,643	69.52	56.26
British Companies	789,146,201	832,469,237	9,919,401	9,730,366	5,776,724	4,848,387	58.24	49.83
United States Companies	253,383,160	292,133,934	3,288,498	3,564,127	1,847,504	1,673,730	56.18	46.96
Yearly Totals and Averages..	1,466,294,021	1,577,817,321	17,027,275	16,870,838	10,279,454	8,639,760	60.37	51.21