ROYAL INSURANCE COMPANY.

Holding the world's record for magnitude of fire premium income, the Royal Insurance Company reports for 1918 net premiums of $26,963,-279, this hitherto unheard of amount indicates a rise of $2,550,894 as compared with 1917. For very many years without a break, the Royal has reported an increase in the premium income of its fire department. In 1917 net fire premiums totalled $24,412,385, showing an unprecedented expansion of $2,825,625 as compared with 1916; nor does the forward movement, of late so strongly in evidence, exhibit any sign of slackening. In view of the ever strengthening vitality of the company's financial position, it would be difficult to surmise what proportions the business may ultimately assume. The results for the past year show that there has been no supervision from that exceptional managerial supervision, and expert underwriting, which have contributed to the conspicuous success of a business of such magnitude. With this great growth in fire premium income, a very favourable loss experience was enjoyed. Losses called for $12,615,688 against $12,351,695 in 1917, figuring a loss ratio 46.79 per cent. compared with 50.59 per cent. in 1917. Since the opening of the present century the loss experience of 1918 was the most satisfactory, with the exception of the year 1905, when the loss ratio for the fire department was recorded at 45.0 per cent. to premium income. Expenses including contributions to Fire Brigades totalled $9,719,650, figuring a ratio of slightly over 36.0 per cent. comparing with 36.15 per cent. in 1917, and 35.9 per cent. in 1916. The surplus of $5,021,015 has been carried to Profit and Loss account, from which the sum of $1,500,000 has been transferred to the Fire Fund, at the end of the year standing at $19,-466,667, (including a reserve for unexpired risk of 40 per cent. and an additional reserve of $8,919, 200.) With the mammoth growth of the Royal's fire premiums, the normal loss experience which has accompanied this growth for many years, has enabled the Company to continue building up reserves of such substantial character as to permit huge conflagrations to be met with equanimity.

Life Department.

Excellent results were secured by the Royal during 1918 in the Life Department. The new policies issued numbered 2,605, assuring $8,587,-680, at annual and single premiums of $440,595. The total premium income, less re-assurances, amounted to $4,534,735, while interest brought in $2,219,755. Claims, including bonus additions were $4,295,460, and after commission, expenses of management and all outgoings, had been met, the Life and Annuity Funds stood at $60,994,737 —having increased as a result of the year's operations by the large amount of $1,740,729.

In other branches of insurance, which include marine, accident, employers' liability, burglary, fidelity, live stock, etc., transacted by this great composite office, with world-wide ramifications, we find eminently satisfactory results. The total net surplus from all departments, including interest, amounted to well over $9,440,000. One factor, however, must not be overlooked, in connection with such an unusually prosperous year, and that is the payment of national taxation, which in the case of the Royal involved the sum, roughly, of $3,500,000, as provision for income, and excess profit taxes, indicating a large deduction from the year's profits.

The growth of the Royal's business during the year under review, may be judged by the fact that the Company's net premium income from all departments totalled $49,722,601, as compared with $46,074,120 in 1917. While its total assets show an increase of $9,391,250, and amount to $142,-820,868. The Royal has come through the period of war, with its great financial standing still greater, and an already high prestige still further enhanced.

The Company in Canada.

The Royal has been operating in Canada for nearly 70 years, occupying a commanding position for many years under the management of Mr. William MacKay, and assistant manager, Mr. J. H. Labelle. The Company's business in the Dominion, under the control of such long and experienced management, has been uniformly prosperous. Last year the total net cash received for fire premiums (excluding subsidiary companies) totalled $1,682,583, net losses incurred figuring a ratio of 49.05 per cent. to premiums, as compared with 55.06 per cent. in 1917, and 52.97 per cent. in 1916. The Queen, a subsidiary of the Royal net cash premium income in Canada, amounted to $682,427, with a loss ratio of 49.47 per cent., and the Hudson Bay also controlled by the Royal had a net cash premium income of $175,032, net losses incurred figuring a ratio of 56.70 per cent.

With subsidiaries included, The Royal's fire premiums (net cash) in Canada for 1918 totalled $2,540,042.

In the Life Department the Company has assumed a commanding position among British offices operating in Canada. Last year the progress made was very marked; the amount of policies new and taken up showed a 30 p.c. increase over the 1917 figures. The war claims experienced by the Company over the whole period of hostilities have proved unexpectedly light, and, unlike the companies whose business lies mainly on this side of the Atlantic, the "Royal" was scarcely affected by the influenza epidemic of 1918-1919. The Canadian new business for the present year promises to be more than double of that secured in 1918. This department has been under the guidance of Mr. R. A. Mannings for some years, with Captain I. W. Watts as superintendent of Agencies.