

CALEDONIAN INSURANCE COMPANY.

Occupying the proud position of "the oldest Scottish insurance office," the Caledonian Insurance Company, of Edinburgh, displays in its 112th annual report a vigour of business administration that, in view of the special difficulties of last year, reflects the highest credit upon those in responsible charge of its operations. Not only do the new accounts exhibit no adverse effects arising from the War, but they record the largest increase in premiums experienced since the passing of the Company's centennial. Financial resources are maintained on a scale which enables any possible adverse development to be met with equanimity. These, combined with a matured connection both in Great Britain, and in those other fields, such as Canada, where the Company carries on its operations, assure for the Caledonian an adequate and steadily-increasing patronage by those who appreciate the reliable and honorable service unremittingly rendered to its policyholders by an insurance organization whose career has been consistently characterised by lofty aim and integrity of purpose.

THE FIRE DEPARTMENT'S YEAR.

The experience of enlarged premium incomes in their fire departments reported generally by the great British companies last year is shared by the Caledonian, whose fire premiums at \$2,501,130 disclose the substantial increase of \$156,610 upon those of the preceding period. For the second year in succession, an enlargement of premiums coincided with a decrease in losses. At \$1,330,725, losses were in actual amount \$22,000 lower than in 1915, while their proportion to premiums of 53.21 per cent. contrasts very favourably with a percentage of 57.69 reported for the preceding year. Commission, expenses and taxes, at \$932,315 show only a moderate increase in amount over 1915, their percentage also being slightly lower than in the previous account—37.27 against 37.36. The reserve for unexpired risks having been increased by \$53,250, a surplus on the year's trading of \$243,865 (against \$142,095) is carried to the profit and loss account.

A STRONG FINANCIAL POSITION.

The Caledonian occupies a financial position entirely adequate for the protection of its policyholders. In addition to the reserve for unexpired risks amounting to \$850,385, a conflagration reserve of \$1,000,000 is maintained which, with the balance on profit and loss account of \$651,790, makes a total slightly in excess of the amount received last year in premiums. This is entirely exclusive of the Company's capital, of which \$537,500 is paid up.

In other fields than Canada, the Caledonian transacts a large life insurance business and casualty insurance in its various branches. The Company's total funds at December 31st last were \$21,821,920. In Canada, which field it entered in 1883, the Caledonian transacts fire insurance only, and enjoys a high reputation for its honourable methods and liberal treatment of policyholders. Under the experienced guidance of Mr. John G. Borthwick, of Montreal, as Canadian manager, substantial progress has been made by the Caledonian in this field during recent years. Last year the Company

received net cash for premiums in Canada, \$426,418 and incurred net losses, \$283,181.

It may be noted that the Caledonian's efforts in support of the British Government's war finance have been relatively particularly energetic. The Company now holds British Government securities to an amount of \$4,600,000.

TORONTO'S INSURANCE OF SOLDIERS.

The city of Toronto insured 10,000 soldiers' lives with three companies, the Metropolitan Life, Aetna Life and State Life, the aggregate premiums paid being \$852,594. Up to a recent date, not including the Vimy Ridge losses, \$819,000 had been paid in claims and 28 further claims were pending. The Metropolitan Life took the major part of the risk, insuring 8,638 soldiers, the Aetna Life insured 1,100 and the State Life, 262. The Metropolitan Life has settled 721 claims of \$1,000; the Aetna Life, 88, and the State Life, ten. Others are pending and, of course, many more are to be expected. Probably the Metropolitan Life, in particular, owing to its remarkable industrial insurance organisation in the Canadian centres, will eventually secure an indirect return for its public spiritedness in shouldering a very great responsibility.

The city of Toronto has itself insured 33,358 men. It has had to pay on account of claims \$930,000, and has 250 claims under adjustment, not including those incurred at and since the battle of Vimy Ridge.

The Bank of England continues its official rate of discount at 5 per cent.

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