

The President stated that gentlemen representing the United States Insurance Departments had been in the city during part of last month, and had made a thorough and most searching investigation into the affairs of the Company, with a view to its admission to do business in their respective States, and that these experts were extremely well satisfied with the soundness of the Company, and expressed themselves as gratified with every aspect of its affairs.

The Hon. Mr. Allen, in seconding the adoption of the report, called special attention to the excellent character of the investments of the Company; of those over 37 per cent. are in first class mortgage securities, nearly 20 per cent. in debentures, nearly 14 per cent. in stocks and bonds, loans on policies about 6½ per cent., the balance consisting of cash in banks, interest accrued, etc.

He also called special attention to the fact that, although the assets had increased very largely, the outstanding and accrued interest had been very materially decreased, which is a proof of the excellent character of the investments of the Company, and the promptness with which the interest thereon has been paid.

James Thorburn, M.D., Medical Director, presented a full and interesting report of the mortality experience of the Company from its organization, which showed that great care had been exercised in the selection of the Company's business.

The Consulting Actuary reported that he had made an independent examination of the affairs of the Company as at December 31, 1898, having examined the books, accounts, and balance sheet, also a detailed copy of the annual report to the Insurance Department, and

stated that he was very much gratified with the result of such examination, also with the thorough system of the work of every department throughout the office. He commended the Company for closing its books promptly at the end of the year, as had been its custom from organization, and stated that, notwithstanding the large amount paid to policy-holders during the year, another substantial gain had been made in the net surplus, now amounting to \$474,079.08, or if made up on the same basis as that generally used, viz., by adding the difference between the cost and market value of debentures, etc., owned by the Company, such surplus would be \$522,664.83. He referred to the great difficulty which had been experienced of late years in securing satisfactory investments, and pointed out the great decline in the rate of interest which gilt edge securities yielded. In view of this, he stated that the settlements of the Company's Investment Policies should be highly satisfactory to the holders thereof, as they compare favourably with those of the leading and best managed Companies on this continent.

A special vote of thanks was unanimously tendered to the Company's Provincial Managers, Inspectors and Agency Staffs for their splendid work of the past year, during which the largest business ever done by the Company had been secured, largely exceeding that of any other Home Company at the same age in its history.

After the usual vote of thanks had been passed, the election of Directors took place, whereupon the newly elected Board met, and Mr. John L. Blaikie was unanimously re-elected President, and the Honourable G. W. Allan and Sir Frank Smith Vice-Presidents.

London Mutual Fire

The Thirty-Ninth Annual Meeting of the London Mutual Fire Insurance Company was held in the Company's offices, London, Ont., on 2nd inst., with the President, Capt. T. E. Robson, in the chair, Mr. D. C. Macdonald acting as secretary, and the following members in attendance:—Argus Campbell, of Appin, vice president; Cameron Macdonald, jun., Gilbert Ritch, St. Thomas; R. McEwen, Byron; James W. Cameron, Strathroy; Sheriff Brown, St. Thomas; John Geary and Robert Boston, city; David Weismiller, Toronto, and Lachlin Leitch, London, inspectors of the Company; J. C. Hodgins, Lucan; Joseph H. Marshall, London Township; I. C. Judd, city; James Whalen, Biddeford; Angus McKay, Stayner; W. E. Stanley, Lucan; Alfred Burwell, city; John M. McEvoy, John Overell, D. Mackenzie, Arthur Burwell, Thomas Wootley, A. T. Platt and Finlay Marshall, city. After the adoption of the Minutes, the various reports were read, showing that 1898 had been a record breaker.

Policies.—The total number of policies written during the year was 17,558. Of these 15,287 cover farm and dwelling property, and 2,271 are on general business. The total amount written was \$19,279,236.

Expenses.—Notwithstanding the immense business done, the total expenses only show a percentage of about 28 per cent., a rate far below the estimate.

Losses.—The amount paid for losses occurring during the year was \$113,867.57 and for losses that had occurred, but not been adjusted in the preceding year, \$6,924.60, a total of \$119,792.17. As compared with 1897, the losses have fallen off by \$14,096.27. This year directors account for in a very marked degree in having a closer inspection of risks and writing off all that did not appear to come up to a proper standard, and, although there is very much yet to be done in this direction, your board intend to follow up the path they have laid out until success is attained.

On the subject of losses your board refer you to the report of the fire inspectors appended hereto, giving the cause and origin of all fires as nearly as could be ascertained. This report will be found very interesting, compiled as it is by gentlemen who have given all their time and attention to the subject, and who have had opportunities possessed by few to thoroughly understand the question. Your board would only touch on one matter in reference to the cause of rural fires, and by which you suffer great loss. This is the use of steam threshing engines. This would not be specially noticed but for the fact that a remedy can be had at a very little expense to save you from heavy loss. By the aid of a jack, with rope transmitter, the engine can be placed at such a distance from your buildings and at such a direction as may be desired, with almost absolute safety from accidents by fire. The only objections made are from the threshers themselves, who, simply to save themselves trouble, make a plea that it is inconvenient to carry the jack, if the farming community, who are the parties really interested, would insist on the use of these jacks or transmitters, then they would speedily come into use, for it must be borne in mind that at time of threshing the outbuildings are filled with the season's crop, and in the event of loss the insured himself has only a small protection.

Legislation.—Your directors have from year to year in conjunction with other companies endeavored in the interest of all honest insurers to have the very unsatisfactory insurance laws changed, but without success so far. The law of contract, so far as insurance companies are concerned, has been entirely ignored by those in Parliamentary authority, and the result is that honest insurers are obliged to pay dishonest

claims. A quasi promise of relief was made by the Government before the general election, and the sincerity of such promise will be tested at the coming session of the Legislature to have an act passed, so plainly worded that those who run may read and thoroughly recognize the position they occupy. The yearly fire waste of the country is required as a statistic, and this can be obtained by a law requiring the registration of fires in the same manner, and at no more expense than the law now requiring the registration of births, marriages and deaths—a marshal or fire inspector to be attached to the Insurance Department at Toronto, to make the office useful, and a change in the statutory conditions. Were these suggestions adopted, the cost of insurance, in the opinion of your board, would be materially reduced, and a great saving in law expenses would naturally follow.

The agents of the company, as a rule, have done well, and deserve your thanks.

These directors now retire by rotation. They are Mr. Sheriff Brown, Messrs. Geary and Robson, and are all eligible for re-election.

INSPECTOR'S REPORT.

The Fire Inspector's Report, read by Mr. Lachlin Leitch, was as follows:—

LONDON, January 1st, 1899.

To the President and Board of Directors of the London Mutual Fire Insurance Company of Canada:—

GENTLEMEN:—Your inspectors beg leave to report that during the past year they have inspected and reported on 594 claims against the company. Twenty three of the claims, amounting to \$1,280.35, were rejected by the board, leaving 571 adjusted (after deductions made in them) at \$124,585.15 up to the 31st of December, 1898. The actual amount which occurred in the year was \$117,578.03.

“Of the amount passed we find:—

81	From unknown causes.....	\$ 36,267 55
131	From defective chimneys, pipes, furnaces and stoves.....	27,793 49
134	From lightning to buildings and contents.....	21,858 19
97	From lightning to animals in the fields.....	2,042 40
22	From incendiary causes.....	9,968 42
29	From other buildings burning.....	8,152 62
9	From steam threshers.....	7,184 00
22	From lamps, lanterns and candles.....	4,529 39
2	From chandeliers.....	1,506 00
24	From careless handling of matches.....	963 96
2	From electric wires.....	911 00
2	From railway engines.....	725 02
4	From running fires.....	668 87
2	From tramps.....	600 00
1	From hot air fan.....	501 81
2	From smoke houses.....	285 00
1	From burglars.....	2-3 56
1	From burning wood pile.....	200 00
2	From pipe smoking.....	187 00
2	From gas jets.....	13 75
1	From gas stove.....	3 12

571

\$124,585 15

Of the above losses 52 were on general business amounting to \$19,555 49.