

In Part IV. of the bill it is stipulated that provisions applicable to fire insurance companies and the business of fire insurance shall, *mutatis mutandis*, apply to companies transacting other than fire, life and inland marine business, as to all matters not otherwise specifically provided for; with the proviso, however, that regulations relating to the calculation of reserve liability shall not apply to companies licensed to carry on the business of title insurance. General provisions as to reserves, etc., may, therefore, be left for consideration in a future issue of THE CHRONICLE, in which the bearing of the bill upon fire insurance will be dealt with.

WESTERN ASSURANCE COMPANY.

The Western Assurance Company held its 58th annual meeting on the 26th ult. The fire premiums for the year ending 31st December, 1908, amounted to \$2,148,361. The losses for the year are heavy, owing to conflagrations, in particular those at Chelsea, Mass., Three Rivers, Que., and Fernie, B.C.

The report states that the last two years have been taken up with a thorough reorganization of the fire business with the object of attaining an improved quality of risks, and reducing liability in congested districts. This object has now been attained and the liability on the discarded business is therefore practically run off. In Canada the volume of business remains about the same.

The Western Assurance Company is one of the most widely known and most highly esteemed fire insurance companies on the continent. It has always been distinguished for the promptness and liberality with which it has settled its losses, and its avoidance of litigation, and it is confidently expected that an era of prosperity will result from the conservative policy now in course of operation by the General Manager, Mr. W. B. Meikle, whose business thoroughness and knowledge of underwriting will be a strong factor for good in the Western's destiny. Throughout the year and a half of pruning business off the books, the loyalty of the company's agents was retained. They have come to recognize the wisdom of the underwriting changes inaugurated. Indeed the loyal and efficient co-operation accorded by the Western's host of agents has been of constant assistance in the carrying out of business revision; and the General Manager has had also the whole-hearted backing of the directorate, composed of gentlemen widely representative of financial and business interests throughout Canada.

In the marine branch the company made a satisfactory profit through its London office, under the management of Mr. Burden, who was present at the annual meeting.

The following directors were re-elected for the ensuing year: Hon. Geo. A. Cox, president; W. R. Brock, vice-president; Robert Bickerdike, M.P., E. W. Cox, D. B. Hanna, John Hoskin, K.C., LL.D., Alex. Laird, Z. A. Lash, K.C., W. B. Meikle, Geo. A. Morrow, Augustus Myers, Frederick Nicholls, James Kerr Osborne, Sir Henry Pellatt and E. R. Wood.

The total assets of the company at 31st December, 1908, amounted to \$3,130,384, and the security to policyholders, \$2,242,888.

Prominent Topics.

Great Britain's Naval Policy.

In introducing the naval estimates, the First Lord of the Admiralty declared that the country must now be prepared to make considerable financial sacrifices in order to ensure its own safety. The estimates show an increase of \$15,000,000 and the Government's programme involves the construction of four Dreadnoughts by March, 1912. The general feeling in England seems to be that this policy is inadequate under present conditions. It is frankly admitted on all sides, that a big increase in Great Britain's naval strength is imperatively necessary, owing to the activity of the German government in this direction. While there is a remarkable amount of uncertainty or secrecy about the German programme, there appears to be no doubt that by April, 1912, Germany will have at least seventeen Dreadnoughts and if the present programme of the British Government is carried out England will only have twenty. The leaders of both of the two great political parties in England admit that naval construction in Germany is going on with such suspicious haste as to constitute a menace to the Empire. It is even stated that the German government is paying twenty-five per cent. subsidies over the original estimates in order to promote rapid construction. One of the few questions upon which the British people are united almost to a man is the absolute necessity of maintaining Great Britain's naval supremacy. One party may be more lavish or more cheese-paring than another, but no government can stay in power many weeks, that will take any risks in this matter.

Goldwin Smith and the Lords.

In a characteristic letter to the London Spectator, Professor Goldwin Smith affirms the opinion that "Hereditary principle as a foundation for legislation and government is surely dead." He admits that the Lords prevented the dismemberment of the Empire by throwing out Mr. Gladstone's Home Rule Bill, but in support of his argument against the Upper House, makes the curious plea that the Bill must have been thrown out by the Commons had they not known that it was sure to be rejected by the Lords. The professor who is one of the most able thinkers and brilliant writers in the Empire here concedes a strong argument in favour of the House of Lords. Like most of the English people, he seems to admit that the Upper House can be relied upon to stand up for the permanent interests of the country more surely than the elective chamber.

The Intercolonial Railway.

The Hon. J. P. Graham, Minister of Railways, announces that a Board of Management is to be appointed for the Intercolonial Railway, which will be responsible not directly to Parliament, but to the Government. He also states that the policy of the Government is to at once acquire the branch lines tributary to the Intercolonial, the control of which he regards as essential to the success of the Government road. He frankly admits that the time is at hand when the Intercolonial will either have to be expanded or leased to some company that will adopt this businesslike policy.