

HOW CANADIAN LIFE COMPANIES INVEST THEIR ASSETS.

(Continued from page 561)

ledger assets will doubtless ensure a large increase in the companies' bond holdings during that period. The probabilities are that the companies will employ as much new money as possible in fulfilling this obligation, and avoid realisation of securities held for some years which at existing levels show a depreciation from their book values or purchase price.

Loans on policies show a smaller increase than for some time previously, their advance being only \$3,100,000 to \$39,218,251, compared with an increase of \$5,400,000 in 1914. Real estate holdings increased by \$1,300,000, and stocks by nearly \$1,700,000, while loans on collateral show a shrinkage of about \$450,000. With regard to stocks it is to be noted that among the assets of some of the companies are included bonus stocks, acquired in connection with bond purchases. When these stocks are not deemed to be of appreciable or certain value, they are not included in the returns; but when a value has been assigned by the companies to the stocks, they are then included.

RATIOS OF INVESTMENTS HELD.

The variations in the proportions of assets invested in the different classes of securities since 1910 are shown in the following table:—

	1915.	1914.	1913.	1912.	1911.	1910.
Real Estate Owned	5.5	5.3	5.2	4.5	4.5	4.2
Mortgages on Real Estate	37.7	39.4	40.0	37.9	35.4	33.1
Loans on Collaterals	0.6	0.9	0.7	1.3	1.3	1.0
Loans on Policies, etc.	15.4	15.0	14.1	13.0	12.8	12.6
Bonds and Debentures	33.7	32.1	32.5	35.0	38.0	39.7
Stocks	7.1	7.3	7.5	8.2	8.0	9.4

Mortgages, which from 33.1 per cent. in 1910 reached a maximum of 40 per cent. of the companies' invested assets at the close of 1913, have now declined to a proportion of 37.7 per cent. Bonds and debentures, which were 39.7 per cent. in 1910, reached their minimum of a rapid downward movement in 1914 at 32.1 and show now a gain to 33.7. Loans on policies show an increase from year to year, their gain in 1915 being, however, somewhat less than in 1914 and 1913. The proportion of real estate owned shows a slow rise—the increase in 5 years being only 1.2 per cent., while holdings of stocks are gradually declining in relative importance as also are loans on collaterals.

The detailed ratios of the companies' holdings on page 563 show some very interesting changes in the figures of 1915 from those of 1914, indicating alterations of investment policy.

The whole propaganda of State insurance finds its origin not in any public need or desire that the State go into business, but in the ambitions and desires of those who follow politics as a profession—to enlarge the public feeding trough at the expense of legitimate private enterprise.—J. Scofield Rowe.

REBUILDING THE PARLIAMENT BUILDINGS.

About the only fact which is clear from the report of the Commission on the fire which destroyed the Parliament Buildings at Ottawa, is one which was already known, that the older part of the building, if not exactly "built to burn," was entirely lacking in fire resisting qualities. It is to be hoped that the Dominion Government will take this lesson to heart in the rebuilding. They have an opportunity to replace the old structure by a building which while lacking nothing in architectural beauty, will serve as a model from the standpoint of fire-resistant construction and fire prevention facilities. Those responsible for the rebuilding will be sadly lacking in their duty if they do not rise to this opportunity and give Canada not merely artistic buildings on Parliament Hill, but buildings which are as safe for those who use them as modern fire prevention science can ensure, and a pattern for the minor public authorities throughout Canada, some of whose public buildings are now just about as ready to make a bonfire as were the old Parliament buildings.

ACADIA FIRE INSURANCE COMPANY.

On another page is published the advertisement of the Acadia Fire Insurance Company, of Halifax, N.S., which was established in 1862. The agents of this institution have been officially notified that all policies written or renewed from 1st May, 1916, will carry the guarantee as to liability of the Phoenix Assurance Company, Limited, of London, England. The accumulated funds of the latter Company amount to over \$84,000,000. The security to policyholders of the Acadia Fire, one of the oldest Canadian companies, is now unsurpassed. This, together with its well-known reputation for liberal and equitable dealing for over half a century, places it at once on a pinnacle by itself as a most desirable Canadian company to represent.

In addition to fire insurance, the Acadia is also licensed to transact hail insurance.

Applications for agencies are invited in unrepresented districts.

The head office of a small, but old-established and wealthy, life institution in London, England, when war broke out, had a staff of four officials, thirteen clerks and two messengers. Last month the shareholders were told that one official, twelve clerks and one messenger had enlisted—fifteen out of nineteen!

* * *

Life insurance is a subject that grows more and more complex every day. Scarcely a month passes but some new book or pamphlet on the subject is published. We need to keep learning. The best minds in the profession are endeavoring to perfect the machinery of life insurance. New information is being secured every day. To be up-to-date we must read and listen.—Mutual Life of Canada.