

for any rise in the market price. It is on such conservative methods as these that the North American relies, we must assume, to support the claim to solidity which it makes in calling itself solid as the North American Continent. The board of this able company continues to number amongst its members some of our best business men, while its management is alert and capable.

TRAVELERS' INSURANCE COMPANY.

Very familiar is the name of this company to those who have occasion to look for insurance against accident, and many a man and family in the United States and Canada have benefited by the indemnity it gives. Year by year the company grows stronger; year by year it continues to widen the area over which its benefits extend, for it does life as well as accident business. The total resources of the Travelers' now exceed \$37,000,000, and the reserve to insure the payment of life policies at maturity and to protect accident policies have been built up to more than \$31,000,000. It is a surprising statement to be able to make that more than ten thousand dollars per day was paid out during 1902 to beneficiaries. But the statement is true by the company's figures, for the payments to policy-holders during that year amounted to \$3,700,000. Nor does the company stand still in its course of action. In the accident department, a new and original policy called the Accumulation Policy was introduced in the month of May. This contract contains but one restriction whereby suicide is excluded. And at New Year's Day last a new policy was placed in the field, embracing the accumulative features of the accumulation policy as well as a sale of liberal payments for losses in consequence of surgical operations. No wonder its business continues to grow.

THE SOVEREIGN LIFE.

Since our reference in early December, to the new life insurance company, the Sovereign, its projectors held their organization meeting in Toronto, about Christmas time, to which was made a report. It appears that the necessary \$250,000 of stock has been subscribed, and over \$50,000 has been paid thereon at a premium of 25 per cent. A license was obtained last month, and the company is now ready for business. The share list includes a number of well-to-do people, and the board of directors, among whom we recognize names of respectable men, scattered from Victoria to Moncton, should be influential enough to secure clients for the new concern, a portion of the life business of which Canadian companies are now getting so large a share. It would be premature to predict what success the company will have: something more than policies and premiums are needed to build up a safe and lasting business. Capable management is the essential thing; and we trust that the gentleman who has been made president and manager, Mr. Hoover, may prove to be the right man for the place. He has not hitherto achieved distinction in connection with old-line life assurance, and he has his spurs yet to win. But the company has an actuary who is an A.I.A., Mr. Pipe, and a prudent thing has been done in assuming 3 per cent. as the basis upon which the company will reserve.

METROPOLITAN FIRE.

We are pleased to be told that this cash-mutual and stock company has not adopted the plan of trying to roll up a large premium income, but rather of paying special attention to the selection and inspection of risks, leaving the amount of business as a secondary consideration. The income, however, has shown a very satisfactory increase, rising from \$13,000 in 1899 to \$55,000 in 1902. We observe that the loss ratio for last year was only some 31 per cent., a very fortunate showing, and one upon which the company may be congratulated. The management has had the good sense to place in the balance sheet \$22,666 for reinsurance liability, a

salutary and necessary practice, which some of our newer companies should copy before they talk about profits and surpluses and dividends, much less declare them.

EQUITY FIRE INSURANCE CO.

This company submits a rather interesting report, cleverly put together. It shows largely increased premiums, which are very gratifying, and earnings sufficient, after paying a dividend and a bonus, to put \$21,406 to reserve, and upon this basis the report goes on to congratulate the shareholders upon various phases of the company's career and different points in the statement. This is very pleasing, but we have looked in vain for any statement of liability for unearned premiums. Does the management not acknowledge such a liability? or does it presume to fly in the face of all prudent underwriting practice in keeping such things behind a screen? The liability exists—why is it not shown. To show it would of course alter the comfortable-looking figures of "security to policy-holders." The report describes the steps taken to make the changes necessitated by the retirement of Archibald Campbell, M.P., from the presidency of the company, but it does not tell why he resigned. Mr. Thomas Crawford, M.P.P., has been made president, and Mr. C. C. VanNorman, vice-president.

ANGLO-AMERICAN FIRE INSURANCE CO.

The year's transactions of this company are placed in a very attractive light by the speech of the president at the annual meeting. He shows the growth of premium income to \$303,716 in four years, and this is a very gratifying growth. Organization expenses have been written off, as was proper; and the expenses of management have been brought down to a shade under 23 per cent., instead of the average of 30, a fact on which the company is to be congratulated. The loss ratio 44.41 per cent. is also low, and so far the showing of the year is distinctly encouraging. "Canada First" is a good cry, and we take no exception to its being used in insurance any more than in manufactures. But Canada, to be first in the estimation of shrewd business men must produce as good goods as the Britisher or the American. The Canadian insurance company must adopt the same prudent measures as have built up the companies of the United States and England to strength and confidence. Looking at the balance sheet of the Anglo-American, we find \$209,700 of assets and \$102,846 of liabilities, leaving a balance of \$106,854 at the credit of profit and loss account. But the company is doing business over the whole Dominion, and we find nowhere in its report any statement of the number or amount of its policies at risk. Nor do we see anywhere an admission of its reinsurance liability. Taking this at the usual standard of 50 per cent. of the premiums the company should have put aside \$151,858 to cover it, which would more than wipe out the \$106,854 balance. And yet they have paid a dividend. Have they any right to do so? No company should venture for a single day, to overlook the conflagration hazard, which has been responsible for the swallowing up of many underwriting companies. However pleasing and encouraging the figures may seem to be without the admission of reinsurance liability, it is unbusinesslike to ignore so important a factor in the standing of any underwriting company.

A WORD OR TWO FROM PRINCE EDWARD ISLAND.

The people of Prince Edward Island have much to complain of as a result of the bad mail service during the winter months when ice complicates matters in the Northumberland Strait. It is no uncommon thing for a steamer to be detained for several days on this account. The island people recognize the difficulty and do not complain of that, though if a steamer could be obtained that could make her way through the ice under all conditions they would be better satisfied. But failing this they would like an arrangement whereby, when a steamer reaches port, mails should be forwarded by