

profit. This result is the best testimony to the care of the management. The assets appear to be in good shape, bills receivable being reduced, the sub-division of assets into heads made more intelligible, and agents' balances, though larger than last year, being still under \$100,000. There are \$101,829 in cash to meet unsettled claims of \$59,791, the Canadian bank stocks of the company having evidently given place to mortgages or been turned into cash. The loyalty of the directors to the fortunes of the company was pleasingly owned by a speaker at the meeting, who instanced their becoming personally responsible for a heavy amount of its obligations at the time of the St. John fire. This is the plucky spirit which evidences the resolve to "place the business of the company on a safe and secure basis" that they may be enabled to take advantage of the revival in business when it comes.

The plan pursued of carrying the whole profits of the Citizens' Co. for the year to capital account instead of dividing it amongst shareholders is praiseworthy, for the bitter experience of 1877 is too recent to permit of fair dividends yet. The business of 1878 has been restricted, especially in the remoter provinces, and some of the hazardous risks cancelled. The loan of \$21,780 on the security of bank stock has been repaid, leaving we presume, the \$45,000 borrowed on real estate still due. The sum of \$25,309 profit in the fire branch over losses and expenses is encouraging, and we are glad to find agents' balances reduced to so low a point. The life branch statement shows an excess of assets after reserve for re-insurance of \$7,336. The position of the company is made to appear less favourable than it is contended actually to be, because, although two out of the three claims against the guarantee department still appear, they are stated to be abandoned. That of the Grand Trunk for \$25,000 is regarded as a friendly test case, but as being yet uncertain is properly provided for. The Citizens has been very fortunate in being able to reduce its obligations during the year by nearly \$50,000, and there is room for the satisfaction expressed by its shareholders at the meeting.

The third annual statement of the Canada Fire and Marine Insurance Company submitted to the shareholders this week, indicates that a good deal of prudence had been exercised by the management during the past year. A considerable reduction was made in the amount at risk by lopping off unusually hazardous risks. This resulted, it is true, in a diminution of receipts when compared with the year previous, but also in a very large reduction in the amount of losses, which were \$51,785. In addition to

this, \$31,793 of losses belonging to the previous year were paid. The assets are \$54,000 in excess of the liabilities after deducting the amount necessary to reinsure all outstanding risks.

The business of the Economical is conducted with little expense, as its name may be taken to indicate. The company is now in its eighth year, and we are informed that it has abandoned the cash system. During the seven years of its existence the losses in both branches were \$23,677. In order to meet these two assessments were made in the village branch and one in the farm. The amount now at risk is \$2,036,277.

LOAN SOCIETY MEETINGS.

At a time like the present, when so many kinds of commercial operations are unprofitable, and banks suffer severe losses in consequence, the remark is often made by way of contrast, that "the loan companies are making all the money." And that they are generally successful is apparent from their reports, several of which we publish to-day. Every one of which we have thus far heard, has added to its reserve except the Building & Loan. The reason of this exception is probably that this company went too fast in declaring dividends in former years; and that its new business would not permit the old pace to be kept up. The great reserves of the old and large companies form a considerable factor in their earning power.

The steady growth and solid position of the Canada Permanent Loan & Savings Society are remarkably shown in the statement of its twenty-fourth year. It is there shown that, after paying two half-yearly dividends of six per cent. each, which absorbed \$240,000, and putting aside a sufficient sum to the credit of the contingent fund to raise it to one per cent. of the amount of mortgages held, the round sum of \$50,000 was carried to the reserve fund, which now amounts to \$850,000, or 42½ per cent. of the capital. The total assets of the company now amount to \$6,355,342, or about £1,305,000 sterling.

The Hamilton Provident and Loan Society makes, as was to be expected, a very satisfactory showing of the operations of its seventh year. The Reserve Fund has reached \$100,000, through the policy of restricting the rate of dividend to a moderate one and applying the surplus profits to rest account. The deposit and debenture obligations are increased in the year about seventeen per cent., while the growth of share capital and reserve is about ten per cent. A desirable site has been purchased

by the company, and more roomy offices are to be erected for its carefully managed and growing business.

Exceptional profits appear to have been realized by the Anglo-Canadian Mortgage Company last year. After deducting all expenses \$25,067 net revenue is certainly a handsome return from the year's operations for the amount of capital employed. Part of the result is probably owing to the favorable arrangements made with the old company when it transferred its business. The mortgages have been valued, we are told, at a low rate. Out of the net profits two dividends equal to 8 per cent. have been paid and \$11,000 carried to the reserve fund, which is now \$21,000, or about equal to 9 per cent. on the paid-up capital.

The business of the Guelph & Ontario Investment Society during its third year shows rapid progress. Its assets have grown from \$125,656 to \$200,081. A considerable increase has taken place in the amount of deposits, and its investments appear to have been profitable, the gross earning being \$17,206. The shareholders were paid eight per cent. dividend, and the reserve fund was increased by \$3,900 and is now \$7,806.

CANADA LIFE ASSURANCE COMPANY.

—The business of life insurance has been characterized of late years by the increasing liberality of the terms offered to insurers. We do not mean with respect to rates of premium, for it would not be safe to reduce these below the figures required by the experience of mortality, but as to terms of policies and the disposal of accumulated profits. Among American companies the Union Mutual of Maine has made some notable concessions in these directions. Of the British companies the Standard and the London and Lancashire may be named as making liberal allowances to its policyholders.

It is agreeable to observe that our foremost Canadian life company is voluntarily taking a step in the interest of the insured, in making application to Parliament to be empowered to give its policyholders a share of its profits, increased from the 75 per cent. they have hitherto got, to not less than 90 per cent., and correspondingly reducing the shareholders' share from 25 per cent. to not exceeding 10 per cent. So liberal a concession to policyholders shows that the directors of the Canada have their interests as well as the popularity of the company at heart. Another clause in the proposed amendments to its charter is to enable the Canada, when its assured die in England or the States, to pay their claims without putting heirs to the ex-