ALLIANCE OF PHILADELPHIA ENTERS CANADA.

The Alliance Insurance Company of Philadelphia, having made the necessary deposit and otherwise complied with the requirements of the Insurance Act, has received a Dominion license to transact fire insurance in Canada, under the management of the old-established and well-known firm of Robert Hampson & Son Limited, of Montreal.

The Alliance of Philadelphia is closely associated with the Insurance Company of North America, executive officers of the senior company acting in the same capacities for the Alliance. Its policyholders are, therefore, assured the high standard of service, which continued for no less than 125 years, has given the Insurance Company of North America its existing magnificent reputation. The financial position of the Alliance, also, is unexceptionable. Established in 1905, under the most favorable auspices, the company reported at December 31st last year, a surplus over capital ($750,000) and all other liabilities of $1,165,845, a gain of $190,000 upon the amount reported twelve months previously. Net premiums in 1916 (fire and marine) were $1,386,814, an increase of over $340,000 upon 1915. Net losses incurred were $735,303, a proportion to premiums of 53.0 per cent. against 54.4 per cent. in the year preceding. A feature of the Alliance accounts is the low expense ratio. Expenses last year absorbed only $430,339, a proportion of 31.0 per cent. to premiums.

An exceptional opportunity is now afforded agents in Canada to form connections with the firm of Robert Hampson & Son Limited, by whom representation of the Alliance throughout the Dominion is being arranged. The Alliance will make a very desirable acquisition for agents in a position to make new connections, its sound financial position, and the practical advantages derived from its association with the Insurance Company of North America, being reinforced by the highest type of management both at the home office and in Montreal. The firm of Robert Hampson & Son Limited, established in 1864, has acted for many years as the chief agents in Canada of the Insurance Company of North America and is not only well known throughout the Dominion, but, with its individual members, enjoys a high reputation for straightforwardness and the fair treatment of clients. The auspices under which the Alliance of Philadelphia is being entered in Canada are thus such as to make its prospects in this field most favorable.

For the best two essays on insurance topics, Messrs. J. E. Matthews, North American Life, Brandon, and George McBroom, London Life, London, were awarded cups and cash prizes at the Life Underwriters Winnipeg Convention.

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One case has been brought to my attention where a first mortgage of $1,100 (50 p.c. of the value of the property) was registered against a quarter section and charges of $1,400 were later registered in priority of the claim. This made the first mortgage a secondary claim, and raised the amount of the two claims above the total value of the property —J. F. Weston, discussing Western legislation affecting mortgages.

FIRE INSURANCE AND GOVERNMENT.

An official of one of the insurance companies, discussing with us the other day a fairly substantial loss which had been incurred, mentioned the fact that the fire took place before the policies concerned had been completed, in the ordinary course of office routine. The loss was a genuine one, i.e., not the result of conspiracy or fraud, and the claim is being settled in the normal course.

An incident like this illustrates, perhaps somewhat freshly, the fact that fire underwriting cannot be reduced to an exact science, in spite of the half-informed suggestions to the contrary made from time to time. The element of speculation must always exist in it in large measure. That being so, it surely follows that the business is one which can only be carried on with private resources, which their owners are willing to venture, and that it would be improper for any Government to risk public money in such a highly speculative undertaking. The correct function of government with regard to the business of fire insurance is not to become an active participant in it—that is certainly unjustified by the nature of the business—but rather to insist through wise regulations and strict supervision, that only reputable men and solvent corporations are allowed to engage in the business, and that it is carried on in such manner as will assure that the general public is fairly protected against risk of loss through fraud or financial failure. Further than this, the State cannot legitimately go. In Canada and elsewhere, much is being accomplished through the State acting upon these lines, and in Canada at all events both the Dominion law and its administration have been keyed up to a point that leaves practically nothing to be desired from the point of view of the protection of the law given to the policyholder.

It is now being contended in some quarters that the State, in addition to this supervisory power, should be able to fix or regulate the charges which may be made for their services by the fire insurance companies. This contention denies that those who pay, or are prepared to pay, the piper have the right to call the tune. It also overlooks the elementary fact that no organisation can be compelled to do business in a given locality against its will. If those who venture their funds in fire insurance are not to fix the rate that they shall be paid for the risks they undertake it may happen eventually that the risks will not be undertaken.

CORPORATION OF INSURANCE BROKERS AND AGENTS.

A recent issue of the "Journal" of this Corporation says:—"At the recent Executive meeting membership applications or inquiries were received from brokers or agents resident in places as widely distant as Montreal and Bulawayo. This is largely due to the publicity given to the work of the Corporation by the insurance press, and especially to the paragraph which appeared in the last report intimating that we desire to get in touch with brokers and agents throughout the Empire. A special rate of membership has been adopted for members resident outside Europe, and the Corporation will be glad to supply particulars on application to the Head Office, 59a London Wall, London, E.C. 2."