

LONDON & LANCASHIRE FIRE INSURANCE COMPANY.

The fifty-sixth annual statement of the London & Lancashire Fire Insurance Co. of Liverpool, England, is the most brilliant ever issued, the figures show uninterrupted progress. Fire premiums amounting to \$10,567,800, as compared with \$9,516,203 the preceding year, an increase of \$1,051,597, and a loss ratio of 43.42 as compared with 48.09 for 1916. After making provision for the increase in liabilities there is a surplus of \$2,174,515 in the fire underwriting account. The very favourable fire loss ratio is with one exception the lowest in the history of the company, due no doubt in a large measure to the fact that the company had little or no interest in the Salonika conflagration and one or two other notable fires during 1917. The interests receipts of the fire account amount to \$264,908 a noteworthy increase of \$36,300 upon the preceding year.

In the accident department net premiums amount to \$4,162,568, losses and expenses absorbed \$3,771,460, leaving a surplus of \$391,108. The funds of this department are maintained \$2,570,000.

An important feature of the report is the acquisition of the Marine Insurance Company. The purchase price amounts to \$8,374,700 and the net assets of the Marine after deducting all payments depreciation on investments and other charges and making full provision for all outstanding claims and liabilities amounts to \$7,462,700, the difference \$910,000 has been charged to profit and loss account, and will not again appear in the accounts.

Another aspect of the company's financial policy is worth noting. A sum of \$1,000,000 has been set aside for income tax on profits and excess profits duty, and an additional sum of \$1,000,000, has been written off investments thus wiping out completely any shrinkage in securities.

The funds of the company now stand at \$21,961,392 while the assets are advanced from \$29,682,385 to over \$45,000,000 chiefly due to the acquisition of the marine and inclusive of their assets, which also brings with it an increase in liabilities, so that some portion of the large increase in assets will finally be reduced to liquidate gradually outstanding liabilities ascertained and prospective under the operation of the purchase account.

Mr. F. W. P. Rutler the distinguished general manager of the company was unanimously elected a director of the board, the occasion being a remarkable one, (the company having surpassed all previous underwriting records) was fittingly taken advantage of by the directors to confer an honour on the man who was most responsible for such brilliant achievements.

The Company in Canada.

The high reputation of the London & Lancashire Fire has been well maintained in the Canadian field for nearly forty years, where it transacts a large fire business throughout the Dominion. During 1917, the company's net cash premiums amounted to \$786,110, with a favourable loss ratio of 45.02 per cent. as compared with

1916, when the premiums were \$716,846 with a loss ratio of 61.03 per cent.

Accident business in Canada is transacted through the London & Lancashire Guarantee & Accident Company, founded in 1908 and controlled by the London & Lancashire Fire, with head office in Toronto under the able management of Mr. Alex. Maclean.

For many years the manager and chief agent of the London & Lancashire Fire, has been Mr. Alfred Wright, Toronto, one of Canada's veteran Underwriters. In the Metropolitan City Mr. Colin E. Swords continues to be manager of both fire and accident business, where he has acquired considerable distinction as an underwriter.

AUTOMATIC FIRE EXTINGUISHING APPARATUS FOR SHIPS.

Fire on board, though not one of the most frequent, is certainly one of the most appalling of accidents at sea. In the struggle with the waves on a stormy sea, and also in a shipwreck among rocks and reefs on a perilous coast, there is an element of dramatic sensation, and also some prospect, however remote, of being able to subdue the raging elements by the exertion of personal courage and energy. In the face of a conflagration which has burst forth into full fury, there is no such prospect. One feels absolutely helpless, and the only means of rescue, and a very uncertain one to boot, is to lower the boats and abandon the ship.

To discover a means of rapidly detecting and quelling a fire which has started on its career of destruction in some part of the vessel, before it has got the upper hand, is a problem to the solution of which it is well worth while to devote attention and capital. It is not possible to say how many out of the vessels which are reported as "lost crew and all," have been destroyed by fire. And even in those cases where the fire has finally been coped with, great damage has, as a rule, been done by fire and water, entailing severe losses on shipowners, insurers and passengers.

It is therefore not surprising that the solution of this problem has attracted numerous inventors. Many are the devices, some of them most ingenious, that have been contrived, but all of them have suffered from certain defects which have hindered them from being put to use to any great extent. The most obvious remedy, and which one has been in fact tried over and over again, is the discharge of carbonic acid gas, which is known to be an effective fire extinguisher. But the difficulty has been to prevent freezing when the liquid carbonic acid, kept under strong pressure, has suddenly been discharged out of its strong cast iron receiver.

Aktiebolaget Lux, of Stockholm, on the basis of the experiences gained in the manufacture of their incandescent oil vapour lamps, in which carbonic acid is employed to generate pressure, have now carried this problem to solution. They have succeeded, by dint of special devices, in moderating the outflow of carbonic acid, so that freezing is obviated, and the gas is thus able to spread freely through pipes leading to all the parts of a ship where the outburst of fire is conceivable.

(Continued on page 577)