

DIRECTORY

AGENTS.

LEGAL.

A. I. HUBBARD,
 Manager, Province of Quebec
 London Guarantee & Accident Co., Lt.
MONTREAL.
 Agents are invited to Correspond.

A. T. WOOD,
 General Agent,
 WELLINGTON MUTUAL FIRE INS. CO.
 24 Scott Street, TORONTO, Ont.
 Surplus lines placed in responsible
 American Companies
 Please Correspond.

MCCARTHY, OSLER, HOSKIN & CREELMAN.
 Barristers, Solicitors, Etc.
 Freehold Buildings, - - Victoria Street,
TORONTO.
 D'Alton McCarthy, Q.C., R. B. Osler, Q.C., John Hoskin, Q.C., LL.D.,
 Adam R. Creelman, Q.C., F. W. Harcourt, W. B. Raymond,
 W. M. Douglas, H. S. Osler, Leighton G. McCarthy.

CHAS. A. BOXER,
 General Agent,
WINNIPEG.

J. F. RUTTAN,
 Real Estate and
 Fire Insurance
 PORT ARTHUR and FORT
 WILLIAM.
 P.O. Address: Port Arthur, Ont.

No Legal Library is . . .
 complete without a . . .
 Copy of
GRISWOLD'S
TEXT BOOK

HATTON & McLENNAN
ADVOCATES,
 British Empire Building,
1724 Notre Dame St.
MONTREAL.
 J. CASSIE HATTON, Q.C.
 FRANCIS McLENNAN, B.A., B.C.L.

KIRBY, COLGATE
& ARMSTRONG,
WINNIPEG.
 General Agents for Manitoba and
 the N. W. Terr. of the following
 Companies,
 Caledonian Insurance Co. of Edinburgh
 Connecticut Fire Insurance Co.
 Manchester Fire Assurance Company.
 North British & Mercantile Insurance Co.
 Norwich Union Fire Insurance Society.
 Scottish Union & National Insurance Co.
 American Surety Co.
 British America (Marine) Insurance Co.
 Canada Accident Assurance Co.
 Standard Life Assurance Co.

JAMES P. BAMFORD,
 General Insurance Agent and Broker,
 REPRESENTING
LANCASHIRE FIRE AND LIFE INS. CO.
SUN FIRE OFFICE.
 Special facilities for placing surplus and excess lines of Fire Insurance
 for our side agents.
Offices: 51 St. Francois Xavier St., MONTREAL.
JAMES P. BAMFORD, Agent.

DOHERTY & DOHERTY,
 Advocates, Barristers, &c.,
SAVINGS BANK CHAMBERS,
180 St. James St., MONTREAL
 T. J. DOHERTY.
 CHAS. J. DOHERTY, Q.C.

Telephone 1251. P.O. Box 648.
Rd. FREYGANG,
 Insurance and Real Estate Broker.
116 ST. JAMES ST.,
 Opp. Post Office. **MONTREAL**
 T. HOWARD WRIGHT. H. A. JUKES.
WRIGHT & JUKES,
 Insurance, Real Estate & Commission
 AGENTS.
391 Main St., Winnipeg, Man.
 General Agents
 Imperial Fire Ins. Co. of London, Eng.
 Phoenix Fire Ins. Co. of Hartford, Conn.
 For Manitoba & N.W. Territories.

WALTER KAVANACH,
 CHIEF AGENT
 SCOTTISH UNION & NATIONAL INSURANCE CO. of Edinburgh
 GENERAL AGENT
 NORWICH UNION FIRE INSURANCE SOCIETY, } For the Province
 EASTERN ASSURANCE COMPANY, } of Quebec.
117 St. Francois Xavier Street. MONTREAL.

ARCHIBALD & FOSTER,
 Advocates, Solicitors, etc.,
 Guardian Ass'ce Bldg, 151 St. James St.
MONTREAL.
 J. S. ARCHIBALD, Q.C., D.C.L.
 GEORGE G. FOSTER, B.C.L.

GRISWOLD'S
FIRE UNDERWRITERS'
TEXT BOOK
 Price, \$10

F. BARTELS Established 1879
ST. HYACINTHE, QUE.
 General Insurance Agent and U.S.
 VICE-CONSUL,
 Representing: Fire: Western,
 British America, Imperial and Fire
 Insurance Association. Life: Cana-
 da Life, Accident: Sun and
 Travelers'. Guaranteed: Guaranteed
 Co. of N.A.

NAPOLEON PIGARD,
 Insurance Agent,
Montreal.

CHARLES RAYNES,
 Advocate, Barrister and Solicitor,
 COMMISSIONER FOR ONTARIO & MANITOBA
 SAVINGS BANK CHAMBERS,
180 ST. JAMES STREET,
MONTREAL.

PERCY R. GAULT,
 Special Agent,
 Royal Insurance Co.,
MONTREAL.

RIDOUT & LYSTER.
 - LOCAL MANAGERS -
 Sun Life Assurance Co. of Canada.
SHERBROOKE, P.Q.

J. B. MORISSETTE,
 GENERAL AGENT
 Guardian Assurance Co.,
 Lancashire Insurance Co.
 Luen Assurance Society of London.
 Legitimate Life Assurance Society.
 Office: 82 St. Peter Street,
QUEBEC.

P. S. G. MACKENZIE, B.C.L.,
 Advocate, Barrister
 and Solicitor,
 Main Street,
RICHMOND, P.Q.

Every Insurance Agent
 should secure a Copy of
GRISWOLD'S
FIRE
UNDERWRITERS'
TEXT
BOOK
 Price, \$10

J. G. FORGIE,
 Barrister, Solicitor, &c.,
PEMBROKE.

BELANGER & GENEST
 Advocates, Attorneys, etc.
SHERBROOKE, P.O.

J. E. THOMPSON,
 BARRISTER, SOLICITOR.
 and Notary Public,
ARNPRIOR.

ESTABLISHED 1809.

TOTAL FUNDS EXCEED
\$52,058,716.51

FIRE & LIFE

Canadian Investments
\$4,599,753.00

NORTH BRITISH AND MERCANTILE

INSURANCE CO

Directors, { HENRY BARBEAU, Esq.
W. W. OGILVIE, Esq.
ARCH'D MACNIDER, Esq.

HEAD OFFICE FOR THE DOMINION: 72 ST. FRANCOIS XAVIER STREET, MONTREAL.

Agents in all Cities and Principal Towns in Canada.

THOMAS DAVIDSON.
Managing Director

ESTABLISHED 1825.

Standard Life Assurance Company
OF EDINBURGH, SCOTLAND.

HEAD OFFICE FOR CANADA, MONTREAL.

Existing Assurance.....	\$11,500,000.00
Annual Revenue.....	5,050,000.00
Bonuses Distributed.....	27,500,000.00
Invested Funds.....	38,550,000.00

INVESTMENTS IN CANADA.

Government and Municipal Bonds,	\$6,300,250
Sundries.....	299,250
First Mortgages.....	2,865,550
Real Estate.....	355,000
Total	\$9,820,050

Low Rates, Absolute Security, Unconditional Policies. Claims settled immediately on proof of death and title. No delays.

AGENTS WANTED.

W. M. RAMSAY, - **Manager for Canada.**

THE ALLIANCE
Assurance
Company

Insurance and Finance CHRONICLE.

OFFICE:
1724 Notre Dame Street.

MONTREAL, MAY 15, 1894

SUBSCRIPTION:
\$2.00 per ANNUM

THE

Insurance and Finance Chronicle.

Published on the 1st and 15th of each month.

AT 1724 NOTRE DAME ST., MONTREAL.

R. WILSON SMITH, Editor and Proprietor.

Annual Subscription (in Advance) \$2.00

Prices for Advertisements on application

All Communications intended for THE CHRONICLE must be in hand not later than the 10th and 25th of the month to secure insertion.

Life Assurance
Expenses again.

THE present reckless and extravagant methods of doing business pursued by so many of the so-called progressive life companies appear to be receiving serious attention at the hands of several of the Insurance Departments of the United States. The fact is a significant one, which companies would do well to note in time. For years past the insurance press, this journal amongst the number, has "in season and out of season" preached reform in this matter, but their friendly advice has fallen on deaf ears. Indeed, the state of affairs has gone from bad to worse, and has now reached such a stage as to suggest to the Commissioner for Maine the possibility of having to resort to legislation to restrict the expenditure of life offices and to enforce more conservative management generally. When such a responsible official as Mr. Carr is thus constrained to go outside the strict province of his duties to seriously hint at the adoption of such a drastic measure, it is surely high time for the managers to pause and consider their present position, and whither the business is tending. The interests of policy-holders have too long been made subservient to the costly idea of aggrandizement, and if the managers read "the signs of the times" aright they will see that the warning now officially conveyed is one of the straws indicating the drift of a growing public opinion on the subject. If they are wise they will at once "set their houses in order," and conform their practices to that opinion, and thus avoid the necessity for the extreme step suggested, which would practically mean taking the management in a measure out of the hands of the officials and placing it in that of the State. As stated elsewhere, we purpose dealing fully with this and other subjects in future issues.

Spontaneous Combustion of Wool.

We are continually learning and unlearning more about the origin of fires. The most dearly cherished notions are constantly being exploded and new ones added to the long list. Wool has been generally regarded as one of the least combustible of articles, but the *Economist* of London, in an interesting article on the subject, suggests that under certain conditions the contrary may be the fact. In alluding to the increasing frequency of fires in the holds of ships containing wool, our contemporary states that a suspicion is gaining ground that this product, which has hitherto enjoyed a reputation for immunity, has not only had a good deal to do with the fires, but probably may have been the cause of them. On cutting open some bales which recently arrived in London in a heated condition they were found to contain at the core "lumps of black cinder of a pitchy or resinous appearance," which probably would have resulted in the bales becoming ignited if they had remained in the vessel for a longer time. The conclusion drawn from this and other facts in the history of wool is that it is under certain circumstances liable to spontaneous combustion. Several causes are given in explanation, principal among which are bad or damp packing and an excess of grease in the fleec. These, combined with light pressing, close stowage, a high temperature and inadequate ventilation are supposed to be favorable to combustion. It is well known that in the case of most oils the process of drying increases the temperature, and it may be easily imagined that fire might result under the above conditions.

Actuarial Society
of America.

THE fifth annual meeting of this Society was held in New York on the 26th and 27th ultimo, at which there was a good attendance. The following Canadian members were present: Mr. T. B. Macaulay of Montreal, Mr. Wm. McCabe and Mr. W. C. Macdonald of Toronto, and Mr. George Wegenast of Waterloo. The members of the Council were re-elected, and on their recommendation two new members were elected, viz., Adolph Davidson, B.S., of the New York Life, and Charles G. Reiter, assistant actuary of the Metropolitan Life. The president, Mr. Howell W. St. John, delivered a short but interesting address, which contained several practical suggestions with reference to the objects of the

Society, and its methods and proceedings. The following papers were read, and will be discussed at the next meeting: "A life table based upon insurance in the American tropics," by Charles N. Jones, New York Life; "Methods of valuing marketable securities held by life insurance companies," by Hiram J. Messenger, jr., Metropolitan Life; "The fluctuation of the rate of mortality vs. rate of loss," by Charles Hildebrand, Connecticut Mutual; "Methods of apportioning surplus used by Australian companies," by David Carment, F. I.A., Australian Mutual Provident; and "Suggestions in respect to dealing with companies in which the reserve is impaired," by Henry W. Smith. We hope to be able to make extended reference to the subjects dealt with in our next issue. The meetings were held in the directors' room of the Metropolitan Life, and on Thursday evening the Society was banqueted by the officers of the Company, President Hegeman presiding, amongst the speakers at which was Mr. T. B. Macaulay. After the adjournment of the second day's meeting, the members, accompanied by their wives and daughters, were given a two hours' sail on Mr. Hedgeman's yacht, after which they were handsomely entertained at his home.

Blindness Insurance.

We are accustomed to look back upon the era of the "South Sea bubbles" as one of foolish credulity and speculative madness, and to pity the unfortunate dupes who suffered from its collapse, but it is curious to note how many of the large number of schemes and ventures then originated, and since regarded as utopian, have gradually found their way into practical adoption. We do not know whether blindness insurance ever suggested itself to the fertile imagination of the speculative geniuses of that time, but a few years ago such a class of business would have been catalogued by sensible people with the vagaries which marked the beginning of the eighteenth century. As far back as 1847, according to Walford, a company named the Professional Life undertook to "grant policies at moderate rates by which annuities may be secured to persons should they at any future time be afflicted with paralysis, blindness or any other visitation which may render them permanently infirm and helpless." The scheme, however, was in advance of the times. We, however, of the present day have become so accustomed to the application of the principle of insurance to so many kinds of risks, that possibly the Loudon company, which is reported to be about to undertake the business, may meet with more success than its premature predecessor. According to our contemporary, the *American Exchange & Review*, it is proposed to charge 75 cents per annum between the ages of 16 and 45 for an annuity of \$260 during loss of sight, whether transient or lifelong. It is not stated whether the rate has been based upon experience or not, but it is doubtful whether the necessary data are available for the purpose. In any case it is obvious that, unlike some risks, that of blindness would be affected considerably by climatic and local influence, and hence a scheduled tariff would be a necessity. The scheme is obviously experimental;

but in view of the increasing rate of blindness of late years, and of the comparative helplessness of those victims who are dependent upon the use of their eyes for subsistence, we can only hope that the proposal will prove as successful as its objects deserve.

SELECTION OF BUSINESS.

The selection of business in fire insurance is very closely allied to discrimination in rates, but it is not exactly the same thing, for while, broadly speaking, any risk, or class of risks, may be made profitable at a certain price, that price is not always obtainable. Just as in life assurance, there are lives which are practically uninsurable, because an adequate premium is so high that it could not be paid, so in fire insurance there are risks from some cause or other so extremely hazardous as (taken by themselves) to debar their being written. We use the words—taken by themselves—advisedly, for underwriters will admit the same, and yet those very underwriters will occasionally accept the risks in question, upon the plea that they are brought by an agent or broker, who gives, or promises to give, an amount of desirable business to counteract the bad risks. The manager will argue that if he does not swallow the risk, "the other fellow" will get it along with the choice business, which is the sugar to sweeten the noxious pill; and so the game of grab goes on. We therefore find ourselves asking whether sound underwriting is not something of a myth, and if it is not the agents rather than the managers who run the business.

That the associated offices have inaugurated and carry out more inspection now than formerly, we are free to allow; but does that inspection weigh with the Companies in the selection of their business, and when a loss occurs, are they not apt to blame the fire brigade, or a chance review, instead of their own want of foresight? There are undoubtedly too many show parades of the fire brigade in this city, and they should be stopped; but remembering the poorly constructed building—we had almost said shanty—in which the Royal Electric Company had a large amount of valuable and very damageable plant, it appears to us absurd to state that had there not been a review on the day of the recent fire, the loss would not have exceeded one thousand dollars. The building was framed, and the expensive dynamos contained therein as susceptible to destruction by water as by fire, so that a blaze of a very few minutes would of necessity entail an almost total loss, and yet we believe the rate was fixed by the Companies at about two per cent.—owing to the competition of the American mutuals! Here is a homily upon the selection of business, and pretty well bears out what our friend the Alderman said in our last issue upon the fixing of rates.

Another large fire in Montreal lately, in which many of our Companies were heavily interested, disclosed the fact that, what was considered and rated as a first class building turned out to have outside walls little if any better than loose rubble, while inside it was a mass of match-lining and wooden lath partitions, the result

being a total collapse of the entire structure from cellar to attic. A somewhat severe satire upon the rate of about one-half per cent! Yet without more discrimination or selection of business, as already pointed out by us, the capitalists have no inducement, or very little, offered them by the Companies to put up a superior class of buildings.

We have alluded to the subject before, but we would again point out, that the companies accept, say, dry goods stores heated by stoves using coal oil or gas for lighting (where matches must be employed to start the lights in windows full of laces and such like combustible materials) as readily and at the same rate as they do a similarly occupied store heated by hot water and lighted with the incandescent lights requiring no matches. Perhaps there is no country where selection is more necessary than in a new one like Canada, and still we cannot believe much selection in the true sense is exercised. If trade is good, and a profitable year results, the Companies resolve themselves into a mutual admiration society and congratulate one another upon the benefits derived from the rules and regulations of their association; but when reverses take place, they console themselves with the fact that they are all in the same boat, overlooking that the merit of sound underwriting is to make a good showing in the face of adverse circumstances; and this can only be done by a careful selection of business, the managers making themselves acquainted through their inspectors and otherwise of the character of the risks offered for insurance, fixing the rates accordingly, and having sufficient backbone to reject the temptation of unsound competition offered by either agents or outside companies.

QUEBEC MORTGAGES AGAIN.

We have on several occasions referred to the legal pitfalls which beset the path of those who invest funds in mortgages on real estate in the Province of Quebec. It is hardly necessary to again describe the dangers arising from sheriff's sales which can legally extinguish a mortgage without the consent—and perhaps even without the knowledge—of the lender; from the power which second and third mortgagees, and even unsecured creditors, have of bringing properties to sale by the sheriff, and thus ousting the first mortgagee; from the fact that the costs incurred in obtaining a judgment for his debt by the person who afterwards brings the property to sale rank as a privileged claim on the property ahead even of the first mortgage; from the fact that the commissions and expenses of even assignees in insolvency are secured in the same way when the moveables are not sufficient to pay such expenses; from the necessity of re-registering mortgages when the cadastral system of surveys goes into force in any locality; and, in short, from the hundred and one other legal traps with which the real estate law of Quebec has long abounded. What we desire to draw attention to at present is a new and alarming danger to which investors have hardly as yet fully awakened.

The old difficulties can be to a large extent guarded against by a close and continuous examination of the *Official Gazette*, but even eternal vigilance cannot purchase freedom from the evils of this new legislation.

At the last session of the Quebec Parliament Mr. Angé's bill was passed, and certain privileges were thus granted to "builders, laborers, workmen, and suppliers of material." It was introduced at the instance of the working classes and, if we mistake not, of the Knights of Labor. And we may perhaps here point out that this whole episode is a glaring illustration of the shortsightedness and folly of some of the measures recommended by many would be social reformers. The granting to workmen of a privilege on the buildings on which they are employed, without even the necessity of registering the claim till after the work is entirely finished, and without even notifying the holders of registered mortgages, was expected to be a great boon to the laboring classes and to the smaller contractors. How has it worked in actual practice? (1) The large corporations which advance money at once refused to make any new loans on unfinished property, and the erection of further buildings became practically limited to those few persons who are possessed of sufficient capital or credit to enable them to finance without assistance till the buildings are completely finished. This of course resulted in a great reduction in the number of new buildings and the consequent loss of work to many men. (2) For the future, contracts will of necessity be given chiefly to men of established financial standing, and as a consequence the large contractors will in the end be benefited and the smaller and weaker ones gradually frozen out. (3) A mechanic or clerk who may have saved enough money to pay for a property in part but not in whole can no longer erect a new building, for he cannot secure the assistance of a loan or assurance company as formerly, to help him in paying the contractors. (4) The reduction in the number of new houses will assuredly result before long in an increase in rents. The Knights of Labor may talk from now till the year ten thousand about high rents, but they might just as well spare themselves the trouble during the whole time. There is only one way to reduce rents, and that is by having the supply of houses exceed the demand; and that way the Knights themselves are effectually shutting off by this legislation. It will thus be seen that the measure is in reality one which is as decidedly opposed to the interests of the working classes and of the smaller contractors as it is possible to imagine. It has moreover already had the effect to our knowledge, of diverting capital from this province to other sections.

But it is with the effect of the law on the security of mortgage investments that we are most interested. At first glance it would appear that lenders can easily protect themselves by simply refusing to advance money on houses which have not been at least one month entirely finished and out of the contractors' hands. But this is not so. The statute is more far-reaching in its effects than this. Not only does it render unsafe any loan on buildings in course of construction,

but it has the same effect with regard to vacant land. There is nothing to prevent an owner from erecting a dwelling on a town lot, or a house or barn upon a farm, and the cost of these improvements would rank ahead of an existing mortgage. The statute, indeed, provides that such a claim shall even rank prior to that for a "baillieur de fonds" or balance of price of sale. And even this does not measure the full extent of the danger. Any work done for improvements, alterations or repairs on buildings already finished is already protected to the full amount of the cost, and the privilege thus created also ranks before that of the mortgagee, even though the latter has had no control over the repairs or alterations, and may have known nothing about them or have disapproved of them. Truly, the last straw would appear to have been added to the back of the long-suffering camel.

Perhaps a practical illustration of the working of the law will be more effective than further description. Let us suppose that a person invests \$10,000 in a mortgage on a property which he believes to be worth over \$14,000, but which, owing to the hard times, is now worth comparatively little beyond the amount of the mortgage. The owner goes to a contractor, and arranges to have him put in an elevator or make an alteration of some other kind in the building. The actual price may be \$3,500, but between themselves it is arranged that the contract shall be made out for \$6,000. When the work is finished, a claim for this amount is registered. The owner says it is quite impossible for him to pay, and that the contractor must look to the holder of the mortgage. The latter is approached and requested to assume forthwith the debt of \$6,000, which it is pointed out now ranks ahead of his own. The indignant protest of the mortgagee that he knew nothing of the matter, and that the whole property is not worth even now \$8,000 more than the mortgage, has no other effect than to elicit an offer that \$5,500 will be accepted if he settles up at once! We do not say that a case precisely similar in all respects to this has ever arisen, but it is one which is quite possible, and we may perhaps further add that the details are not entirely imaginary.

It is hard to believe that any body of men, possessed of the intelligence necessary to be elected members of parliament, should be so blind to the interests of the community as to perpetuate the dangerous absurdities which have too long been a blot on the legislation of this province. But it is still harder to believe that such men should go even further and approve a measure such as we have been discussing. Truth, however, is stranger than fiction.

The Boston Chamber of Commerce has resolved to urge the passage of a law to prohibit the inclusion of uncollected premiums for risks written thirty days after the issue of policies among the assets of fire companies. In affirming the danger to the solvency of some companies which attends the system of credits when extended beyond safe limits, it was pointed out that the amount of uncollected premiums for the companies doing business in the State on 1st January last was more than \$20,000,000.

THE STANDARD LIFE ASSURANCE CO.

There are few, if any, British life companies better known either at home or abroad, and none more deservedly popular and esteemed than the above Company. Even since its establishment, now nearly three-quarters of a century ago, the Standard has lived up to its name, and earned for itself a splendid record for the liberal and honorable character of its dealings, the stability of its resources, and the prudence and progressiveness of its management. By these means it has long enjoyed the prominent place it now holds in the front rank of the world's life assurance institutions, and every year only serves to add to its strength and the sphere of its beneficent operations. It would not have been surprising if its hitherto uninterrupted progress had been somewhat checked last year in view of the unfavorable condition of affairs which prevailed in Great Britain for the most part of the time, but the following exhibit, taken from the Company's annual statement printed on another page, shows that, on the contrary, 1893 was on the whole a prosperous year.

Financial Movement.

	1892.	1893.	Increase (+) or Decrease (-)
	\$	\$	\$
Premiums (net)	3,769,490	3,800,480	+ 30,990
Interest, etc.	1,555,655	1,578,690	+ 23,035
Total Income	5,325,145	5,379,170	+ 54,025
Payments to policyholders..	4,097,140	3,586,845	-510,295
Expenses	744,595	786,210	+ 41,615
Total outgo	4,966,735	4,498,055	-468,680
Excess of Income over outgo.	358,410	\$81,115	+522,705
Net Funds.	37,901,895	38,783,010	+881,115
Total Assets.....	38,708,270	39,566,875	+858,605

Movement of Policies.

No. of new policies taken.	3,455	3,980	+ 525
Sum assured thereunder.	\$8,834,210	\$8,804,430	- \$29,780
Assurance in force.....	\$112,190,905	\$114,547,305	+ \$2,342,400
Total assurances terminated.....	\$6,587,035	\$6,448,030	- \$139,005

There is no mushroom growth about such figures, but the gains shown are in keeping with the solid and increasing progress which has marked the whole history of the Company. The total income, which amounted to no less than \$5,379,170, exceeded that of 1892 by \$54,025, while, on the other hand, the aggregate outgo, \$4,498,055, shows the large reduction of \$468,680, leaving the handsome sum of \$881,115 as a balance to be added to the funds, as compared with \$358,410 for the previous year. Net premium receipts amounted to \$3,800,480, and interest to \$1,578,690, the respective increases being \$30,990 and \$23,035 over the preceding twelve months.

Turning to the other side of the accounts, we find that \$3,586,845 was disbursed to policyholders and their representatives. This amount is \$510,295 less than in 1892, due to the lighter death claims, but is still of such proportions as to be noteworthy as showing the extent to which assurants and their families have availed themselves of the protective benefits of the Company. Although a progressive policy has for many years been carried out in regard

to new business, the Company's affairs are managed with commendable economy. Expenses amounted to less than 17½ per cent. of the premium receipts, and it is satisfactory to note that a reduction is being effected in this item. 3,980 new policies were issued for \$8,804,430; the amount was almost the same as in 1892, but the number largely exceeded that of any previous year. A striking feature of the Standard's business is its permanency; terminations from all causes only amounted to \$53.3 per \$1,000 of assurances on the books during the year, and were actually less than in 1892, notwithstanding the larger amount of policies in force. The fact speaks well for the quality of the Company's business and for the care and attention given to its maintenance. The Company started the current year with assets aggregating almost \$40,000,000, and existing assurances amounting to nearly \$115,000,000. Big figures, indeed, and at the back of them solidity and strength, for security has always been one of the first aims of the management. This is sufficiently indicated by the character of its investments in the Dominion. Of these, \$6,300,000 are in Government and municipal bonds, \$2,865,550 in first mortgages, \$355,000 in real estate and \$299,250 in sundries. The total, \$9,820,050, represents almost one-fourth of the total assets of the Company, and an increase of nearly \$1,700,000 during the year. This practically gives the Company the financial status of a strong local institution, and entitles it to reciprocal confidence and patronage at the hands of Canadians. That this is recognized is shown by the fact that the Canadian branch had on its books at the close of the year 6,447 policies assuring \$14,064,048, received in premiums the sum of \$439,285, and issued 759 new policies for \$1,459,000.

There are few Companies doing business in Canada which have as large a volume of existing assurances as the Standard, and great credit is due to Mr. Wm. M. Ramsay, its able and esteemed Dominion Manager, for the prominent position the branch has attained under his experienced direction.

DECREASE OF LIFE INSURANCE SURPLUS.

When the financial depression, which is still serious enough, was the most marked during 1893 in the United States, and the best class of stocks and bonds went down from ten to twenty points, thoughtful men inquired with not a little concern as to what effect this depreciation in values would have upon the surplus of the life assurance companies, and in fact on all classes of insurance companies. When it is remembered that the assets of some of the companies are in railway, bank and miscellaneous stocks and bonds to the extent of forty and fifty per cent., the wholesale depreciation in these securities last summer fully justified the apprehension shared by all prudent, conservative men. Fortunately, some weeks before the time for making up the annual reports of the companies in December the situation began to improve, the panicky era in Wall street had in a great measure disappeared, and values, especially of the better class of securities,

gradually went back, not entirely to but toward the old prices.

The method of valuation professedly used by the insurance departments of New York and other States, when taking account of the securities owned by the companies, has reference to a reasonable average for the entire year and not to the December values alone. Under the exceptional circumstances of last year, however, this rule was not strictly applied, and valuations have been allowed largely on the basis of recovered rather than of depressed values. But even under this liberal treatment—perhaps in some cases too liberal—there has been a considerable shrinkage of values affecting the volume of assets, and consequently reducing the surplus. Inasmuch as most of the companies—the New York Life being, however, a marked exception—fail to take the public into their confidence and do not tell us the amount of depreciation in their securities, we can only estimate the shrinkage in assets by comparison. We find that the gain in total assets of all the life companies reporting to the New York Insurance Department was more than eight millions less in 1893 than the gain in 1892, although the excess of total income over total disbursements in 1893 was about four millions more than in 1892. A pretty good indication of the decrease in value of securities will be found by a comparison of the gain in surplus to policyholders for the two years above named, as shown in the New York department reports of the several companies. We accordingly here append the record of twenty-five companies, including the principal ones found in the reports, adding also as of interest the gain in assets for the respective years:—

COMPANY.	GAIN OR LOSS IN SURPLUS. <i>Minus sign indicates loss.</i>		GAIN IN ASSETS.	
	1892.	1893.	1892.	1893.
Aetna Life.	72,382	-21,550	1,233,024	1,355,421
Conn. General.	12,385	21,214	138,778	181,953
Connecticut Mut. ...	549,127	69,757	1,032,052	588,289
Equitable, N.Y. ...	5,455,982	848,800	17,359,890	15,705,734
Germania.	90,989	-42,360	1,070,520	915,296
Home Life.	-17,235	-315,439	452,951	199,723
John Hancock. ...	84,484	59,067	680,060	733,304
Manhattan.	-67,066	-240,961	416,699	175,454
Massachusetts Mut.	105,518	-88,332	1,194,139	1,046,813
Metropolitan.	625,613	395,214	2,919,294	2,797,463
Mutual Benefit.	110,473	-68,727	2,461,242	1,939,626
Mutual, N.Y.	3,502,409	827,953	15,069,018	11,742,428
National, Vt.	154,852	108,308	1,198,282	1,118,225
New England.	173,297	-688,510	1,005,122	163,413
New York Life.	1,663,925	220,682	11,551,908	11,201,582
Northwestern Mut..	1,582,405	1,843,251	7,416,145	7,787,272
Penn. Mutual.	393,201	-329,911	2,549,694	1,575,021
Phoenix Mutual. ...	29,556	-81,176	13,673	76,141
Provident L. & Trust.	249,332	-295,026	2,279,914	1,617,522
State Mutual.	89,510	29,308	895,686	731,323
Travelers (Life) ...	-13,667	-368,166	1,116,496	863,282
Union Central.	237,109	308,614	465,873	1,587,876
Union Mutual.	-32,974	-106,750	131,359	13,631
United States.	-14,455	-81,515	154,659	47,173
Washington.	24,093	-9,972	602,885	569,041
Total gain.	15,206,632	4,731,268	73,409,343	64,763,006
Total loss.	145,397	2,738,395	.....	.....
Net gain.	15,061,235	11,992,873	73,409,343	64,763,006
Decrease of 1893. ....	.....	3,068,362	.....	8,646,337

This exhibit shows that the gain or surplus realized by all the companies here named was less than two millions of dollars in 1893, as compared with a gain of over fifteen millions for the preceding year, or a fall-

ing off in surplus gain of over thirteen millions; and that the gain in assets in 1893 was more than eight and a half millions less than in 1892. That shrinkage in the values of securities was largely the cause of this decrease in surplus is apparent, for in the item of liabilities it will be seen upon examination that no abnormal increase has taken place the past year. Depreciation in the value of securities is not chargeable, however, with all of the decrease shown, by any means, for increased expense of management, about which we had something to say in our last issue, enters as a factor of considerable importance. For instance, we find that the expenses of 1892 for the life companies included in the New York report were \$49,665,729, while for 1893 they were \$55,205,736—an increase of \$5,539,607. Now, this amount cannot be legitimately charged to the increase in new business, for that increase was only about \$84,000,000 in excess of the increase of 1892, and allowing the extravagant ratio of expense for new business prevailing in the latter year, it will be found that the above \$5,539,607 would pay for more than \$165,000,000 of new assurance. The increase in expense is out of all proportion to the increase in new business. But let us look at this expense increase from another standpoint. The reports tell us that the gain in assurance in force in 1892 was, in round numbers, \$323,300,000, while the gain for 1893 was \$309,416,000, or almost \$14,000,000 less than in 1892; and yet the expense incurred in looking after the business was increased by the more than five and a half millions above stated. Less net gain in assurance kept on the books, by fourteen millions, and a large increase in expenses to offset the decreased gain, and yet only eighty-four millions of new business to be paid for, in excess of that gained in 1892. This manifest increase in the expense ratio accounts for some of the shrinkage in surplus, unquestionably.

The lesson to be drawn from our brief analysis of the situation is two-fold: First, the importance of a conservative policy with reference to the investment of funds, looking to the elimination of fluctuating securities, so far as possible, from the schedules of assets; and, second, a genuine reform in the matter of expense. Fortunately, the surplus of all the companies is ample, we believe, to stand a considerable depreciation of assets and yet remain perfectly safe, but how long increasing expenses and security depreciation, combined, can be safely allowed is a question of grave importance.

LIFE ASSURANCE REFORMS.

Considering the magnitude of the interests involved in life assurance on the American continent; the enormous amount of trust funds held, now exceeding \$1,000,000,000; the millions of persons who are dependent, and who will, in the future, be dependent upon the ability of the several Companies to carry out their contracts, it is our intention to devote certain space in this journal to the publication of articles regarding the merits and demerits appertaining to the business; and, in so doing, it is not our intention to particularize individual Companies, but merely to consider all the different items which go to make up either success or

failure. It is also our intention to correspond with all Companies transacting business on this continent, and ascertain from them how they regard "facts and figures" which we may possibly have occasion to criticize.

In this issue we shall confine ourselves to asking the question,—Are life assurance companies, whether stock or mutual, the property of the management or the property of the policyholders and members? We consider that this is a most pertinent question, inasmuch as it has always appeared to us, in our many years of Insurance journalism, that even the mutual companies have considered that the funds held by them in trust for their members were in a sense the property of the management, and could be invested without regard to the interests and objects of the assured; that profits could be declared in any shape or manner, and apportioned, suited the individual views of the management and that all the policyholders or members could do wistfully concur, the Companies considering that they, the policyholders, had no legal redress.

We think, however, that the time has now arrived when the management of the several Companies should be compelled to fully recognize the rights of the people whose property they manage; and that not only the policyholders, but the entire public, should be taken into complete confidence as regards everything in connection with the several Companies, instead of, as in the past, considering that their proper policy was to throw open to public scrutiny only such facts as suited the several managements.

We consider that the position of stock companies is exactly the same as the above outlines for mutual companies. Stock companies have, either under their charters or under their policy contracts, agreed that the stockholders shall receive a certain percentage of the dividends and profits earned, and that the remainder shall go to the policyholders; therefore we claim, that although they are stock companies, the individual rights of their members are exactly the same as in mutual companies, with the exception that the stockholders receive a certain percentage of the profits made out of the business of the policyholders, in return for their "capital" guarantee.

We believe the general recognition of these views in practice would tend to the good of life assurance, and, therefore, also of the Companies individually. If this be so, then it would certainly be wise for Companies to "take time by the forelock" and voluntarily adjust their practices accordingly, and thus avoid the compulsion which may be applied by force of public opinion if not of law. Whether our advice be acceptable or not, it is at least honest and sincere, and actuated by the friendliest motives toward the various managements.

Army officers in Italy cannot legally marry unless the bride has a dowry ranging, according to rank, from 10,000 to 30,000 lives. The Government, however, propose to allow them to marry brides without dowries, provided the officer assure his life prior to marriage for 10,000 lives.

ABSTRACT OF LIFE ASSURANCE BUSINESS IN CANADA FOR 1893 COMPARED WITH 1892.

Compiled by the INSURANCE AND FINANCE CHRONICLE from the Advance Report of the Insurance Superintendent.

COMPANIES.	Net Premium received.		Assurance Issued and taken.		Total policies and Assurance in force.				Net amount of policies become claims.	Amount on lapsed and surrendered policies.
	1892.	1893.	1892	1893.	No. of pol. in force.		Amount in force.			
					1892.	1893.	1892.	1893.		
	\$	\$	\$	\$			\$	\$	\$	\$
CANADIAN COMPANIES.										
Canada Life	1,636,062	1,604,356	4,624,550	4,044,200	26,998	27,938	57,018,200	59,685,315	730,480	1,966,427
Confederation	72,936	105,234	850,450	1,488,550	774	1,102	2,036,071	3,315,523	41,983	.....
Dominion Life	30,191	38,296	517,000	532,250	840	1,136	1,115,890	1,473,937	2,000	165,209
Dominion Safety Fund	34,765	32,886	58,000	61,000	1,455	1,292	1,737,000	1,549,000	21,000	228,000
Federal	241,796	286,377	1,882,000	1,997,633	4,545	4,929	9,855,393	9,995,835	108,291	1,475,900
Great West	15,383	50,422	881,200	1,760,800	345	945	8,220	2,131,500	1,000	123,000
London Life	105,169	39,433	100,500	186,250	1,588	1,582	1,22,684	1,494,409	14,530	178,363
Manuf'urers	212,242	247,698	2,007,250	2,133,969	4,992	5,474	1,498,071	1,730,064	14,108	673,081
* N American	None.	1,389	None.	97,500	None.	50	None.	97,500	None.	.....
Ontario Mutual	503,389	512,518	2,651,000	2,780,250	12,445	13,466	16,000	17,683,029	125,882	1,155,069
Sun Life	763,074	871,165	4,141,503	5,493,109	12,844	14,673	19,208,858	22,182,850	226,837	1,789,320
Temperance & General	197,346	205,487	1,932,147	1,567,215	1,874	2,439	4,613,639	5,590,357	62,637	.....
Totals	5,006,718	5,476,058	28,386,631	31,100,461	110,153	121,799	161,577,539	176,742,002	1,750,227	12,604,421
BRITISH COMPANIES.										
British Empire	223,350	215,572	850,000	654,433	3,007	3,015	5,864,111	5,896,858	50,237	439,655
Commercial Union	20,345	18,537	8,000	21,000	309	301	675,193	593,564	10,958	21,283
Edinburgh	9,879	8,518	None.	None.	136	126	410,135	353,935	42,773	6,642
Life Ass'n of Scotland	45,357	45,552	None.	None.	1,069	1,039	1,886,742	1,816,643	41,422	28,677
Liv. & Lond. & Globe	8,047	8,177	None.	4,000	159	154	273,994	263,293	9,193	6,460
London & Lancashire	211,926	213,108	1,109,700	823,000	4,880	4,117	6,974,443	6,821,401	136,310	881,038
London Assurance	792	561	None.	None.	6	5	26,636	21,769	None.	None.
North British and Merc.	37,955	36,291	58,000	4,621	606	571	1,489,992	1,414,744	76,554	7,362
Queen	6,353	None.	None.	None.	143	None.	258,426	None.	None.	None.
Reliance	6,227	8,346	None.	None.	216	209	273,580	265,847	4,673	3,060
Royal	18,788	22,772	None.	None.	240	362	729,701	934,947	23,278	20,902
Scottish Amicable	6,941	6,618	None.	None.	124	123	307,284	306,420	864	None.
Scottish Provident	2,495	2,411	None.	None.	67	63	180,806	163,664	16,466	1,815
Standard	474,983	439,285	1,506,517	1,459,000	6,053	6,447	13,679,680	14,064,048	216,362	781,009
Star	16,278	15,677	32,996	1,801	254	248	670,983	655,566	8,247	8,970
Totals	1,088,816	1,041,428	3,625,213	2,967,855	16,469	16,785	33,692,706	33,572,699	637,047	2,206,873
AMERICAN COMPANIES.										
Aetna Life	633,555	608,576	762,858	623,513	13,171	12,813	17,055,349	16,608,155	539,304	516,398
Connecticut Mutual	47,439	46,006	None.	None.	1,115	1,061	2,106,820	2,028,165	67,531	11,126
Equitable	703,537	750,818	2,475,391	2,972,025	8,738	9,371	19,329,072	20,947,848	246,923	1,128,582
Germania	31,608	29,946	322,500	87,800	296	244	793,228	616,995	None.	264,204
Metropolitan	59,761	63,980	None.	6,624	98	78	182,180	144,265	1,000	268,824
Mutual Life	630,371	697,841	560,555	694,187	12,571	14,058	1,206,114	1,648,933	26,083	.....
National Life	2,388	2,296	None.	None.	5,928	6,514	14,863,692	15,662,254	239,952	1,476,829
New York	709,210	780,264	4,925,555	5,051,500	164	153	168,639	161,322	4,993	1,899
Northwestern	18,421	17,823	None.	None.	430	397	5,828,860	545,744	28,860	8,657
Phoenix Mutual Life	29,049	25,400	None.	None.	1,073	989	1,147,438	1,083,693	63,441	13,304
Provident Savings	67,903	78,090	883,000	845,000	957	1,168	2,345,000	2,687,000	20,979	482,000
Travelers	132,223	127,189	794,108	755,300	3,011	2,992	4,843,178	5,022,940	85,574	406,748
Union Mutual	125,142	122,222	573,671	448,900	2,772	2,836	4,670,161	4,796,194	86,153	289,190
United States	61,011	52,779	1,864,650	497,370	1,021	940	2,297,935	2,281,195	9,110	1,605,500
Totals	3,251,598	3,403,230	15,409,261	14,145,555	60,570	63,879	90,708,482	94,602,966	1,652,356	8,567,051

† These companies have ceased doing business in Canada.

‡ Canadian business only.

* Foreign business of North American is treated as general.

RECAPITULATION.

Canadian Companies	5,006,718	5,476,058	28,386,631	31,100,461	110,153	121,799	161,577,539	176,742,002	1,750,227	12,604,421
British	1,088,816	1,041,428	3,625,213	2,967,855	16,469	16,785	33,692,706	33,572,699	637,047	2,206,873
American	3,251,598	3,403,230	15,409,261	14,145,555	60,570	63,879	90,708,482	94,602,966	1,652,356	8,567,051
Grand Totals	9,347,132	9,920,716	47,421,110	48,213,871	187,192	202,461	285,978,727	304,917,667	3,439,630	23,378,345

FIRE INSURANCE IN CANADA FOR THE YEAR 1893.
 Compiled by the INSURANCE & FINANCE CHRONICLE from Advance Report of the Superintendent of Insurance.

CANADIAN COMPANIES.

	Net Cash received for Premiums. \$	Amount of Policies written. \$	Amount at risk at date. \$	Net losses incurred. \$	Net losses paid. \$	Ratio of losses incurred to Premiums received.	
						1893.	1892.
British America.....	202,076	22,313,539	27,188,465	138,112	144,298	68.35	75.54
Eastern.....	264,511	26,676,063	19,831,172	192,334	188,314	72.71	71.33
London Mutual.....	122,772	15,553,095	43,191,301	112,057	99,088	91.23	75.20
Mercantile.....	129,379	12,947,680	14,214,778	86,431	81,686	66.80	86.43
Quebec.....	94,688	9,626,026	8,584,725	72,395	71,592	76.47	76.78
Western.....	328,128	36,669,280	41,603,339	224,355	211,459	68.31	70.07
Totals for 1893.....	1,141,854	123,785,683	154,614,280	825,684	796,437	72.31	.....
Totals for 1892.....	1,052,041	112,566,165	148,557,131	771,465	792,219	.....	74.17

BRITISH COMPANIES.

Albion.....	119,693	11,868,962	15,227,258	79,159	82,427	66.13	89.48
Alliance.....	203,641	21,768,271	24,195,018	184,543	177,903	92.62	43.44
Atlas.....	100,301	8,634,952	8,600,795	78,846	76,220	78.60	55.13
Caledonian.....	133,021	14,100,394	15,791,369	107,681	97,590	80.95	54.71
City of London.....	.....	.....	.....	.....	.....	.....	94.72
Commercial Union.....	364,276	34,947,757	40,910,737	289,305	253,059	79.42	80.85
Employers' Liability.....	9,128	416,399	57,499	43,810	53,423	479.84	73.69
Guardian.....	294,310	28,944,434	37,100,004	173,374	172,147	58.91	51.36
Imperial.....	190,792	18,700,310	23,889,634	155,354	161,072	81.43	51.12
Lancashire.....	259,563	23,507,342	32,052,140	191,192	196,318	73.28	62.53
Liverpool & London & Globe.....	323,872	33,707,054	49,021,658	283,909	281,337	81.48	66.37
London & Lancashire.....	194,033	18,040,428	20,915,650	94,477	95,406	48.69	53.46
London Assurance.....	107,918	13,502,999	14,915,200	74,125	75,476	68.68	52.13
Manchester.....	118,940	12,592,339	11,609,946	119,271	109,692	100.28	56.56
National of Ireland.....	100,301	8,634,952	8,600,795	79,496	77,817	79.25	60.86
North British and Mercantile.....	383,663	42,474,585	52,626,021	334,930	339,652	87.30	64.26
Northern.....	172,816	17,858,332	21,369,262	135,196	121,612	78.23	55.13
Norwich Union.....	128,689	14,171,905	16,917,826	99,051	89,495	76.95	67.20
Phoenix of London.....	260,376	26,556,588	31,300,510	161,529	165,067	61.99	56.00
Royal.....	594,631	58,439,891	84,076,506	455,133	446,332	76.54	65.82
Scottish Union & National.....	134,593	16,474,713	16,418,153	100,326	109,741	74.54	73.88
Sun.....	93,809	9,000,913	8,480,508	59,761	58,177	63.70	28.26
Union.....	133,047	14,959,019	10,084,456	98,761	91,849	73.13	49.93
United.....	187,094	14,810,275	17,268,994	170,023	165,277	90.88	116.28
Totals for 1893.....	4,610,737	438,203,814	561,840,939	3,569,232	3,497,689	77.41	.....
Totals for 1892.....	4,455,474	466,900,791	549,223,123	2,936,603	2,878,149	.....	63.30

AMERICAN COMPANIES.

Atlas.....	143,836	16,037,637	15,797,891	88,518	91,254	61.54	78.28
Agricultural of Watertown.....	51,585	7,768,052	19,234,529	50,274	43,037	97.46	80.60
Connecticut.....	32,509	3,200,000	3,780,000	23,424	20,198	72.05	55.73
Hartford.....	138,504	13,462,625	15,364,816	97,744	97,167	70.57	53.31
Insurance Co. of North America.....	66,321	8,277,549	6,156,290	40,899	43,132	61.67	61.17
Phoenix of Brooklyn.....	89,314	11,204,431	12,483,629	69,108	63,214	77.38	79.82
Phoenix of Hartford.....	236,139	20,550,383	19,229,638	178,652	186,356	75.66	79.46
Queen of America.....	272,211	23,043,515	28,591,282	170,370	171,668	63.59	73.72
Totals for 1893.....	1,030,422	105,564,192	120,638,075	718,989	715,966	69.78	.....
Totals for 1892.....	1,004,812	107,708,732	123,629,818	742,170	706,902	.....	71.68

RECAPITULATION.

6 Canadian Companies.....	1,141,854	123,785,683	154,614,280	825,684	796,437	72.31	74.17
24 British Companies.....	4,610,737	438,203,814	561,840,939	3,569,232	3,497,689	77.41	63.30
8 American Companies.....	1,030,422	105,564,192	120,638,075	718,989	715,966	69.78	71.68
Totals for 1893.....	6,783,013	687,553,689	837,093,294	5,113,905	5,010,092	75.39	.....
Totals for 1892.....	6,512,327	687,175,688	821,410,072	4,470,238	4,377,270	.....	66.22

† Corrected by business.

ACTUARIAL COLUMN.

Endowment assurance is of comparatively recent development, but its growth has been truly phenomenal. Some idea of its increased popularity may be gathered from the annual reports of the Insurance Department of New York. In these the total business in force has been classified under the head of whole life, endowment and all other assurances. And here we may parenthetically remark, that if similar returns were furnished to our Dominion Department the information would be both interesting and valuable for statistical and other purposes, and serve to indicate the trend of the business in Canada. Out of the total of \$1,439,916.165 of assurances in force in the companies which reported to the Superintendent in 1879, only \$202,767.920 or 14.08 belonged to the endowment class, while in 1893 it had increased to \$1,005,360,522 or 22.28 per cent. of the aggregate. It will be seen from this that during the short space of fifteen years endowment assurances had increased 395.8 per cent. as against 213.3 per cent. for all other forms. It does not appear from the report how policies with a modified endowment feature such as are now commonly solicited by many companies have been treated in this division: but if they have not been classed as endowments, as obviously they should, the above figures of course would not adequately represent the great strides which have been made in endowment assurance business. In view of the persistent, and in some cases disingenuous attacks which for some years have been made upon the investment feature of assurance by interested persons, the above statistics conclusively show what a hold it has taken upon the minds of assurers. The public as a rule do not seek assurance, but have to be persuaded into availing themselves of its protection, and it might naturally be supposed that the attraction of cheapness offered by other plans would far outweigh the additional benefits of endowment policies because of the extra cost involved. We are not surprised, however, to find that such does not appear to be the case, for we are of opinion that the combination of investment with assurance is not only a legitimate but also a desirable function for provident institutions such as life offices really are. Objectors to endowment assurances argue that the assured can do better with the additional premium required to purchase the benefit accruing from survival; but even assuming that they could, the fact remains that the extra amount paid might not otherwise be saved. Moreover, other forms of saving or investment do not afford the same amount of security and are not regarded with the same sense of obligation as in the case of assurance, and their object is therefore more liable to be defeated. For this reason we are warm advocates of endowment assurances, recognizing them to be effectual and certain forms of providence as well as assurance. Of late years a large number of new plans of this class have been placed before the public. Some of these are designed to meet the wishes of certain assurers, but many of them are calculated to attract attention by reason of their novelty rather than their usefulness. An entirely new and original form which does not

appear to have been adopted on this continent is that of an assurance payable at death, if it should occur within a certain period, with a return of all the premiums paid in case of survival. The rates are fairly moderate, as will be seen from the following specimens for 20 year period computed by the *HM.* table at 4 1/2 per cent. interest with a loading at the rate of 20 per cent. of the gross premiums:—

Age.	Net premium.	Loading.	Gross premium.
	\$	\$	\$
20	23.08	5.77	28.85
25	25.06	6.27	31.33
30	28.12	7.03	35.15
35	31.73	7.93	39.66
40	36.18	9.05	45.23
45	42.10	10.53	52.63
50	49.09	12.27	61.36

The formula for the gross premium, representing *l* as the proportion of loading proposed to be charged, is:

$$\frac{M_x - M_{x+n}}{(1-l)(N_{x-1} - lN_{x+n-1}) - n.D_{x+n}}$$

INSURANCE IN CANADA IN 1893.

Elsewhere in this issue we present our usual summaries of the life and fire insurance business in Canada in 1893, as compared with that of 1892, taken from the preliminary report of the Insurance Department. Extended notice will be given to the various items in future numbers, and for the present we merely note the movement of the business in the main heads. Turning to the life companies' statements, it will be seen that the year was one of the most successful they have ever experienced, which is all the more gratifying in view of the depressed times through which the country has passed. New assurances were issued for \$48,213,871, an increase of \$792,761 over the preceding year. Of this amount Canadian companies secured \$31,100,461, an increase of \$2,713,830 as the result of their total operations at home and abroad. Their British and American contemporaries did not fare so well in this respect as in 1892, for which doubtless there are good reasons. The former's new business amounted to \$2,967,855, or \$657,358 less than in the previous year, and the latter's was \$14,145,555, a decrease of \$1,263,711. But for the substantial advance made by the Canadian companies, therefore, a large falling-off would have been shown in the aggregate returns. The business in force amounted to \$504,917,667, of which \$176,742,002 was in Canadian companies, \$33,572,699 in British, and \$94,602,966 in American. A net gain of \$18,938,940 was therefore made during the year, towards which Canadian companies contributed \$15,164,463 and American \$3,894,484, whilst British companies were responsible for a decrease of \$120,007. The total premiums received by all amounted to \$9,920,716, or \$573,584 more than in 1892. Of the total, \$5,476,058 was received by Canadian companies, an increase of \$169,340: \$1,041,128 by British, a decrease of \$47,388; and \$3,403,230 by American, an increase of \$151,632. Claims amounted to \$1,49,940 less than in the previous year, notwithstanding the increased sums at risk, showing that the companies had a very favorable mortality experience during the past year. Terminations from lapses totalled \$23,378,345, as

compared with \$22,588,994 for 1892, an increase of \$789,351, which, however, is very satisfactory in view of the larger number of policies on the books. Regarded from the point of view of aggregate results, the general statement is an encouraging one.

As might have been expected, the fire companies' returns do not tell such a flattering tale. The net total premiums amounted to \$6,783,613, or only \$270,686 more than in 1892, whilst the losses incurred, \$5,113,905, show an increase of \$632,667, resulting in a loss ratio of 75.39 per cent. as compared with 66.22 per cent. for the previous year, for which the British companies were mainly responsible. Canadian companies received \$1,141,854 in premiums, British companies \$4,610,737, and American \$1,030,422, and incurred losses of \$825,684 or 72.31 per cent., \$3,569,232 or 77.41 per cent., and \$718,989 or 69.78 per cent. respectively. It is to be hoped that the next annual statement will show more cheerful results for fire underwriters, of which there is some prospect, judging from the more favorable experience on the continent so far this year.

THE BANK OF MONTREAL STATEMENT.

The results of the business of this bank for 1893 show how exceedingly cautious and conservative has been the management during that most anxious and, to bankers, most critical year. The position of the Bank of Montreal is one not as favorable to making profits when panic is in the financial air, as is that of those institutions which are less representative of the national financial condition, and less responsible for it. It has been noticed all through 1893 that this great bank was under severe restraint, hence it is no surprise that its net profits were \$12,521 less than in 1892, indeed, the smallness of the decline is rather a more just cause of surprise. The net profits of the year were 10.94 per cent. on the paid-up capital, the average of the preceding six years having been 10.60 per cent.; if the disastrous year 1891 is left out, the other five years' profits averaged 11.15, or only \$25,000 per annum in excess of those of 1893, which is surely a striking proof of the sound judgment, skill and wisdom which enabled the bank to pull through such a year as 1893 with such a trifling sign of the financial storm which raged through so protracted a period last year. The sum of \$113,289 was left after providing a 10 per cent. dividend, the balance to credit of profit and loss being now \$804,715, which serves as a breakwater to guard the reserve fund of 6 millions. We shall be very much gratified if the other banks show as satisfactory results of last year's business as the Bank of Montreal.

THE DOMINION BANK STATEMENT.

The annual statement of the above bank shows a net profit to have been made of 14.29 per cent. on paid-up capital. Considering the circumstances of 1893, this is a remarkable result. But the explanation is found in the exceptional earning powers of the Dominion Bank, in having so small a capital to pay dividends upon, compared to the resources it controls. In the first place,

the bank has a reserve fund equal to the capital, which of itself is able to provide a good percentage of dividend. Indeed, if the capital, the reserve fund, and the average circulation are put together, making \$4,000,000, the net profits are equal to 5.38 per cent. on this amount; or, put in another way, if the reserve and circulation netted 4 per cent., they would have earned nearly 47 per cent. of the total net profits. But the deposits of this bank are exceptionally large, being \$9,676,468, equal to close upon six and a half millions for each million of capital. So that, if we allow the capital, reserve and circulation to have netted 3 per cent., and the deposits to have yielded only 1 per cent. profit, we have a sum of \$216,000, which is a trifle in excess of the actual result. The year's dividend was declared 10 per cent., with a one per cent. bonus. General Manager Bethune, and the venerable President, Mr. Austin, may justly feel very great pride in the position to which their skill has raised the Dominion Bank.

LONDON & LANCASHIRE LIFE ASSURANCE CO.

The thirty-first annual report of the above Company which is presented on another page, shows that however much other British life offices may have felt the effects of the general depression in the mother country, the London and Lancashire experienced a prosperous year in 1893. Indeed, apart from the small diminution in the new business secured, there is nothing in the published statement to indicate that the twelve months covered were other than a favorable period for life assurance institutions. The following comparison with 1892 shows the progress made in the principal items:—

	1892.	1893.	Increase (+) or Decrease (-)
	\$	\$	\$.
Premiums (net).....	877,470	898,074	+ 20,604
Interest, etc	176,265	183,473	+ 7,208
Total income.....	1,053,735	1,081,547	+ 27,812
Payments to policyholders...	471,605	444,056	- 27,549
Expenses.....	268,400	299,011	+ 30,611
Total outgo.....	750,005	753,067	+ 3,062
Excess of income over outgo.	303,730	328,480	+ 24,750
Added to investment reserve.	12,290	40,000	+ 27,710
Net funds.....	4,200,480	4,488,964	+ 288,484
Total assets.....	4,291,045	4,612,679	+ 321,634

It will be noted that satisfactory improvement has been made in nearly every important direction. While the total income amounted to \$1,081,547, an increase of \$27,812 over that of the previous year, the total outgo was \$753,067, or only \$3,062 over 1892, notwithstanding the disbursement of \$20,132 of cash bonuses as the result of the recent distribution of profits. A balance of \$328,480 was thus saved out of the revenue, being \$24,750 in excess of the corresponding amount for the preceding twelve months. Out of that sum the Directors decided to set apart \$40,000 as an addition to the investment reserve by way of a precautionary measure in view of the state of the property market. It will be remembered that last year the Company strengthened its resources by raising its reserves to a 3½ per cent. interest basis, and that in conjunction with the present step cannot fail to confirm the confidence of the shareholders and the public in its

conservative management and undoubted security. Turning to the various items in the accounts, we find that premium receipts have increased to \$898,074, and interest to \$183,473, the latter being at the satisfactory rate of 4.3 per cent. on the funds invested and uninvested. The payments to policyholders, \$444,036, show a considerable reduction, owing mainly to the favorable rate of mortality experienced during the year, doubtless the result in a measure of a more careful selection of risks. Expenses amounted to less than \$300,000, including a special sum which is incurred only once every five years, viz.: the cost of the quinquennial valuation; and it is satisfactory to note in this connection that the management are prudently aiming at carrying out a progressive policy with judicious economy as regards both general expenses and the cost of new business. 1,822 new assurances were issued during the year for \$3,225,170, yielding a premium income of \$121,490, an amount which is larger than the average of British companies. Bearing in mind the undoubted "bad times" against which the Company had to contend in the Old Country, the showing on the whole is one upon which the management may be fairly congratulated. Last year Mr. W. P. Clirelugh, the manager and actuary, to whose able direction of affairs the Company largely owes its present strong and advancing position, visited Canada on a tour of inspection, and it must be gratifying to Mr. B. Hal Brown, the well-known and capable Dominion general manager, to find the business of his branch so favorably reported on as to call for special mention by the chairman at the annual meeting. Last year no less than 497 policies assuring \$823,000 were issued within the Dominion, representing 25.5 per cent. of the total number and 27.3 per cent. of the total amount reported; and the assurances in force, reaching nearly \$7,000,000 are probably equal to a third of the aggregate policies of the Company. It will therefore be seen that the Canadian branch is becoming a large and important contributor to the Company's business. The fact speaks well for its popularity here, and for the ability with which its affairs are locally managed.

The following well known gentlemen constitute the board of directors and trustees for the Company's Canadian business, viz., Sir Donald A. Smith, K.C. M.G., Mr. Robert Benny, Mr. R. B. Angers, Dr. Sandford Fleming and Mr. R. T. Paterson, the last-named gentleman being a recent election.

The World's life assurance is stated by the *Spectator*, of London, to be distributed among the companies of the different countries as follows:

	Number of policy-holders	Amount in force.
English.....	1,098,367	\$2,461,620,000
Germany.....	1,336,433	1,170,924,000
France.....	360,520	753,201,000
Austria.....	478,363	338,385,000
Switzerland.....	63,390	44,368,000
Scandinavia.....	108,816	113,084,000
America.....	1,687,778	4,949,995,000
Totals.....	5,137,667	9,831,777,000

FIRE LOSSES IN CANADA FOR APRIL, 1894.

Date	LOCATION.	REK.	TOTAL LOSS.	INSURANCE LOSS.
Apr. 1	Bridgewater	Woollen Mill	\$ 5,000	None.
1	Barrie	Dwelling & Stable	2,000	\$1,000
3	London	Carriage works	5,000	None.
3	Tsp. Darlington	Farm property	2,000	1,400
3	Phillipston	Dwelling	1,500	1,300
4	Kingsville	Green House	12,000	None.
4	Montreal	Grocery Store	2,000	2,000
4	Quebec	Store & Dwelling	2,500	2,200
5	Hatley	Pork Factory	10,000	7,000
6	Pickering	Farm property	2,500	1,700
6	Brechin	Various stores	7,000	2,000
7	Quebec	Drug Store	5,000	4,500
8	Senarth	Store	3,500	3,000
9	Petrolia	Imperial Oil Co's wax works	5,000	6,200
10	Belwood	Elevator	2,000	1,000
10	Paris, Ont	Carpet Works	35,000	23,000
10	Orono	Dwelling	1,000	1,000
10	Allaudale	Railway Station	12,000	11,000
10	North Kingston	Dwelling	3,500	2,000
10	Trenton	do	1,500	1,500
10	Strathroy	do	2,300	1,700
10	Montreal	do	1,400	1,200
10	Sebringville, Ont	Tannery	3,000	1,500
10	Lisle, Ont.	Store	4,500	4,200
11	Toronto	Foundry	2,500	1,000
12	Tsp. Biddulph	Farm property	1,200	1,000
14	Winona nr Ham.	Wine cellar	8,000	4,700
14	Aurora	Dwelling	1,000	1,000
14	Hastings	Livery Stables	5,000	1,000
15	Carillon	Tug	5,000	3,000
15	Montreal	Military tailor store	2,000	2,000
16	Montreal	Singer Machine Co	35,000	28,000
16	St. John, N.B.	Dwelling	3,000	4,000
17	Clinton	Hotel	10,000	6,600
17	Greenway, Man.	General Store	3,000	2,300
18	Montreal	W.L. drug store, carriage mkr & str.	25,000	15,000
18	Huntsville	Conflagration	13,500	60,000
18	Goderich	Dwelling	1,000	1,000
20	Ottawa	Orphan Asylum	2,000	2,000
20	Victoria, B.C.	Stores Dwelling	6,000	5,000
20	Vancouver, B.C.	Saw Mill	2,500	1,500
20	Stratford	Post Office	6,000	None.
20	Nr. Toronto	Dwelling	2,500	2,300
22	Pembroke	Carriage Factory	1,000	1,000
22	St. Cyr Sta., Que.	Saw Mill	5,000	None.
22	Halifax, N.S.	do	10,000	2,000
23	London	Store	7,000	6,000
24	Cote St. Antoine, Montreal	Farm outbuildings	10,000	1,000
24	Fitch Bay	Sash & Door Fact.	10,000	2,000
24	Lang, Ont	Flour & Otm. Mill	3,000	1,700
24	Baie St Paul	Hotel	3,000	2,600
25	Cheltenham	do	2,000	1,500
25	Tsp. Artemesia	Farm property	1,500	None.
25	Upton	Shop	1,000	1,000
25	Brighton	Storehouse	5,000	3,000
27	Montreal	Wholesale store	150,000	136,500
27	Edmonton, N.W.	T.....		
28	Quebec	Saw Mills	10,000	None.
28	Rat Portage	Store	1,500	1,100
28	Tilbury Centre	Saw Mill	125,000	80,000
28	Tilbury Centre	Skating Rink	1,500	1,000
29	Winnipeg	Telephone Exchan	3,000	3,000
29	Strathroy	Dwelling	1,500	1,200
29	Georgetown	Store	3,000	2,000
29	Strathroy	Planing Mill	3,000	None.
30	Watford	School	2,500	2,000
Total.....			\$746,400	\$470,600

SUMMARY FOR FOUR MONTHS.

	1893.		1894.	
	Total Loss.	Insurance Loss.	Total Loss.	Insurance Loss.
For January.....	\$402,000	\$301,900	\$391,500	\$261,600
" February.....	722,800	449,100	598,500	276,350
" March.....	671,030	533,830	553,000	193,000
" April.....	661,990	501,700	746,400	470,600
Totals.....	\$2,467,730	\$1,786,530	\$2,088,500	\$1,209,550

Correspondence.

We do not hold ourselves responsible for views expressed by Correspondents

TORONTO LETTER.

Fire Insurance rates and the City Fathers—The Toronto Board does itself credit in reparatee—Retail Mercantile stock rates in Toronto are lower than elsewhere—Public School Insurance—Fire inquests must be paid for by the party ordering them.

DEAR EDITOR,

The topic of most interest to-day is that of Fire Insurance rates in the City of Toronto. Last month a deputation from the City Council was given a hearing by the Toronto Board, and spoke earnestly, to the effect that the Companies should either contribute to the maintenance of a salvage corps, or lower the rates of insurance, generally. Some of the daily papers, taking the matter up, have added their voice to the call for lower rates of insurance. The Toronto Board noting these things, and the items that have appeared in the papers from time to time during the past few months all having the same burden and trend, and asserting that immense revenue and profit was derived from this city by the Companies as a whole, have happily bestirred themselves to meet the case, with the result that a most excellent reply was given by letter and accompanying figures, to the City Council. As great pains were taken in the compilation of this document, I think it would be of interest to your readers not only in Toronto, but also in Montreal and elsewhere. I enclose you a copy, trusting you may be able to give space to the whole document either in this issue or the next. By order of the Board, copies of this reply were sent to the daily papers but so far as I know, not one of them has ventured to publish the figures, which are regular knock-down arguments to the pretension set up, that the fire appliances of Toronto are so ample and efficient as to warrant large reduction in present rates. Just to think that a city with 190,000 of a population is without even one steam fire engine, whilst Syracuse with 95,000 people, Hartford with 53,000, have each eight engines! Further, the retail stocks of Toronto, the most numerous class of mercantile risks, are charged only 75c. here, as compared with .90c. for the same lines in each of the two cities named. The stocks in other large cities average higher rates than Toronto, also, and these have a still larger equipment of engines and fire appliances. Then Toronto has no fire boat for protection of its water front, between which and the rest of the city run the many railway tracks which so hamper the fire brigade when fires occur on the south side of the Esplanade; no water tower to give instant extra pressure when needed; no salvage corps, and not enough chemical engines. Per contra, it has an efficient fire brigade unusually quick in action, who by their early appearance at a fire can make even a bucket of water do good service, if they can only get it; and, so far, we have had luck.

The Public School Board of Toronto have been criticizing the rates paid on their schools, and finding that outside of Toronto a 70c. rate for 3 years has prevailed in "A" towns west of here, they have addressed the T. Board, asking for a reduction from Soc. to 70c., and this equitable reduction has been granted them. It is rumored they intend to further economize by reducing the amount of insurance hitherto carried on each building. The value of the school properties is estimated at \$1,500,000, on which they carry an insurance of \$500,000. These school risks are generally held to be good risks, although some losses have occurred in them outside Toronto. You will note our School Board put their trust, as do many others, very largely in the city fire appliances as they at present exist.

Small fires (may they ever be so) are very prevalent in the city.

The recent inquest into the Globe Clothing store fire will have a good effect. It is a salutary measure, too seldom applied, for it seems there is an Act relating to it, which provides that

the party calling for the inquest must pay the costs of it. In the case above mentioned, through some oversight, the costs were actually incurred, at the time when the Crown Attorney sent an order to the Mayor for his signature, as authorizing the inquest. This he refused to give, not having been consulted in the beginning. If the facilities for getting fire insurance were less than they are, no doubt the people would insist on a rigid enquiry into all suspicious fires; but, as it is, the good natured minded companies foot the bills anyway.

Yours,

ARIEL.

TORONTO, 12th May, 1894.

ANTEDILUVIAN AGAIN

Editor INSURANCE AND FINANCE CHRONICLE.

SIR,—Your correspondent "Nonchalance" has my full and unreserved permission to smile at my sentiments. His smile or frowns, fortunately, have no perceptible effect on the question. Truth is immutable and cannot change; so whether "Nonchalance" be grave or gay, the all-pervading truth of my sentiments stands regardless of the humor in which your valued correspondent finds himself.

It is nice of him, though, to explain that he did not intend to ridicule me, and further on to point out that had my original assertions been qualified by an "I believe," they would have been less open to derision!

Hold! my good "Nonchalance"! Do not flatter yourself. I am vain enough to believe it requires something more than your puny shafts to turn anything I have said to ridicule.

That pretty little sentence of his regarding the maximum of absurdity calling only for the minimum of refutation may be very self-satisfying, but it is not at all apposite. I am quite prepared to admit the minimum of refutation, but I submit, with all deference, that "Nonchalance's" mere assertion is in itself insufficient to prove the absurdity of any proposition. This is a very easy method of disposing of an opponent, the overthrow, however, is not generally considered complete by any but the one who resorts to this style of controversy.

That story of his aunt and his uncle sounds familiar, but I have always heard it the other way. "Nonchalance" will persist in shewing his deep reading.

Having poked considerable fun at me, "Nonchalance" condescends to come down to my level and discuss the subject which has called forth this correspondence. He says, in regard to the broker in fire insurance, if property owners want them, and the companies tolerate and pay them, that is sufficient reason for their existence; in other words, whatever is, is right. I do not think any reasonable person will accept this doctrine.

Then again I deny that property owners want them. The average man places his risk through a broker because he thinks that is the only way the business can be done; and, even if he thought otherwise, he feels that his unsupported action would have but little effect on the system, however pernicious, so he drifts with the tide. Occasionally the press, the voice of the thinking public, points to the evil; but again selfish motives come in, and nothing more is heard.

The companies tolerate and pay them! More's the pity! I venture to say if my friend "Nonchalance" could get an expression of opinion from those circles in London and New York that he knows so much about, he would learn that the companies, though they tolerate and pay them, have no love for the brokers.

Then, "Nonchalance" endeavors to score by citing the tea brokers, stock brokers, etc. Before he can succeed in this, however, he must prove the analogy between that kind of broker and the fire insurance broker, and this he cannot do because there are several essential points of difference between the two, but even were he to succeed in doing so, it would avail him nothing until the necessity for the tea broker had been proved. By-and-by we may expect to hear the tea broker proving it right to have an existence and a being by pointing to his friend the f.i.b.

It has not been claimed there is anything inherently wrong in a company accepting a risk from a broker, whether that company has a proper system of inspection or not. No one said it was contrary to the law of Moses! All I claim is that the system is bad; that it is neither in the interest of the insured nor insurer, and the only person benefited is the ubiquitous broker—he's always ahead.

It would seem I went too far in my "profession of faith" to please "Nonchalance." I might explain to him now that the only reason I had for my belief with regard to the procedure in placing a risk without the assistance of a broker was because I thought that was his belief; and I formed my opinion from his first letter, wherein he states brokers have an existence to avoid annoyance and trouble caused by dealing with thirty or more agents. It is quite a relief to my mind to know "Nonchalance" meant something else when he used these words, because I must admit it was with difficulty I accepted that part of his teaching. If he will be kind enough to tell me what he really did mean, I am quite prepared to say beforehand—I believe.

I am not aware of anything in the system I advocate to prevent one man furnishing wordings for thirty policies; at the same time there is no objection to several men furnishing the same wording, while this advantage exists, the wording is more likely to be in accordance with their wishes. But I take the liberty of correcting "Nonchalance;" this was not the point. He asserted where a competent broker took over a line of insurance previously placed direct with companies, he was likely to find everything wrong; the point I wished to make was that this state of affairs is quite as likely to exist where the business is done through a broker.

Again does "Nonchalance" with a wave of his hand dispose of what seemed in my humble judgment very much to the point. It would be folly to criticize certain of my statements! Say rather it would be folly on your part to attempt to criticize them, and I am with you, "Nonchalance"! You must know that your assumption of superiority cannot be considered conclusive so far as relates to the point I fairly made, that the actual work performed by the broker might be otherwise just as efficiently attended to at one-tenth the cost.

As for my reference to the establishment of the brokerage system in Gibson, Fairville and Bucetouche, I think the inference drawn from "Nonchalance's" first letter that that was what was required at these points was just as far as his suggestion that there was some connection between the experience in these villages during 1893 and the brokerage question. But bless his innocent little heart, he didn't imagine I was in earnest! I knew the proposition was absurd; but my aim was to answer absurdity with absurdity.

Now, then, since I have been unable hitherto to advance a "reasonable" proposition, no doubt owing to the fact that propositions possessing that quality emanate only from the mighty intellect of "Nonchalance," who seems to have a "corner" on reason, I will undertake the task once more, and with more hope of success this time, for my authority is one that even "Nonchalance" cannot well dispute, since it is none other than himself.

In his first letter "Nonchalance" asserts that the broker's usefulness lies in his ability to harmonize the divergent views of the several offices.

If I apprehend him, this means that a given risk offered direct to the companies, being open to question, causes the property owner trouble and annoyance; the same risk placed through a broker "goes"! If this is intended as an argument in favor of the brokers, I want to borrow "Nonchalance's" reason for a short time to be able to appreciate it. Prithce, Mr. "Nonchalance," explain how it comes that this risk presenting so many objectionable features, when offered direct to the companies, seems so acceptable when it comes through a broker; and let me know if you do not find in this an answer to your question: Why the independent and intelligent agent fears to refuse undesirable business from any source?

The cloven hoof is shewn when "Nonchalance" speaks of wagering a fat premium to a scaly loss. That is what these gentlemen are proverbial for, the odds frequently being largely in favor of the scaly loss. But while I am not prepared to accept his wager, I may point out that even if his surmise were correct it proves nothing. Would he pretend that because you cannot get food just in the way you want it, you should do without food?

I fear I have already made this letter too long, but I wish to say before closing, that if "Nonchalance" chooses to come again he need not bring his joke book with him. I say this out of pure kindness, for if the book is as heavy as the jokes, it must be quite a load for him to carry. Meanwhile I beg to assure him that his caseous-avuncular joke has been duly noted.

"ANTHEDILUVIAN."

MONTREAL, April 26th, 1894.

P.S.—I like "Nonchalance." He combines the playfulness of the kitten with the freshness of the newly plucked cabbage head.

Notes and Items.

Insurance of Crops is contemplated by the Russian Government in consequence of the recent famines in that country.

The next convention of fire chiefs was decided at a business meeting at Boston to be held on the second Tuesday in August at Montreal.

The bill to establish the office of State fire marshal has been favorably reported on by the finance committee of the Massachusetts legislature.

A Bicycle Accident Insurance Company has obtained a charter in Virginia to insure bicyclists against money loss by the accidental breakage of wheels.

The Canada Life Assurance Co. is gradually extending its field of operations. It has already entered two of the States, and is now reported to have opened in Cincinnati.

The Arkansas Supreme Court recently decided that the law prohibiting life agents from soliciting assurance in the State without a license is unconstitutional.

Insurance of Vineyards from that pest, phylloxera, is suggested by the New South Wales Government; but the insurance companies do not seem disposed to entertain the business.

Mr. Charles C. Little, Secretary of the Phenix of Brooklyn, has been elected Vice-President of the Company, succeeding Mr. Arthur Graves; but he will continue to hold the secretaryship.

Fire losses in Missouri last year amounted to 90.02 per cent of the premiums, an increase of nearly 18 per cent. over that of 1892. No wonder several of the companies are withdrawing from the State.

English accident business.—The following are the ratios which the claims bore to the premiums received by 14 British companies in 1893: Crown, 49.6; Equitable, 74.9; General, 37.2; Globe, 4.24; Imperial Union, 61.4; Law, 7.5; Northern, 56.6; Ocean, 53.6; Palatine, 47.8; Railway Passengers, 59.2; Scottish Employers', 62.5; Scottish Alliance, 51.2; Sickness, 35.

The Union Assurance Society has removed from St. François Xavier Street to first-class offices in the New Bank of Toronto Chambers at the corner of St. James and McGill streets.

Our contemporary, the *Spectator*, suggests that the actual death-rate experienced by the life companies should be stated in their annual reports. Yes, and much other information which policy-holders and shareholders are entitled to have submitted to them.

The Canadian and European Export Credit System Co. received during 1893 the sum of \$25,066, and reports "no losses incurred"! Its new business amounted to \$748,500, and it had \$638,500 in force at the close of the year.

The holder of a policy in a mutual fire company, according to the decision of an Ohio judge, is a member of the company for the whole term covered, notwithstanding the fact that he sustained a loss, which was paid before its expiration; and he is held to be liable for assessments charged during the balance of the term.

The business of the "three giants" in foreign countries is given in the Connecticut report as follows: Mutual Life, 27,742 policies in force for \$84,814,129; Equitable, 70,651 for \$252,878,247; New York Life, 53,508 for \$221,713,171. The latter was the only one of the three companies which showed a decrease for the year.

The resignation of Mr. Samuel P. Blagden, resident manager of the United States branch of the North British and Mercantile Insurance Company, has been announced. It appears that the home office deemed a radical change necessary in view of the unsatisfactory state of the American business. Mr. Blagden will continue to act until his successor is appointed by Manager Burnett of the home office.

A good deal of speculation and guess-work has been indulged in as to who is likely to be the new U.S. manager of the North British & Mercantile Insurance Company. The list of applicants is now said to be boiled down to three. One enterprising contemporary has given the appointment to Manager Bowers of the Guardian, but Mr. Bowers states that there is no truth whatever in this statement.

The latest victim of the insurance legislation epidemic in the United States is New Jersey. A bill just introduced in the Senate proposes to compel companies to pay the full amount of the policy within thirty days in case of total loss. If a company interposes any objection by adjusters, arbitrators or otherwise, it will be guilty of a misdemeanor and subject to a fine of not less than \$500. No exception is made in case of a fraudulent loss or of violated policy conditions. Next.

"Gentlemen," as they are sometimes called, *i.e.*, wealthy people having no occupation, have, according to statistics, so far as they are available, a much higher death rate than their less fortunate (?) fellows. In this connection the *Insurance Record* of London says: "It is idleness—the profession of the gentleman—that we should like to see generally recognized (as it doubtless is by some actuaries) as an extra risk—a risk to be deliberately reckoned with." Nathless, how many would not be willing to incur that risk for the sake of its advantages?

PERSONAL MENTION.

MR. THOS. DAVIDSON, the popular managing director of the North British & Mercantile, will sail for Great Britain early in June.

MR. C. C. FOSTER, secretary of the Western Assurance Co., Toronto, favored us with a call when in Montreal a few days ago.

MR. J. H. EWAT has, it is rumored, severed his connection with the Eastern and taken the general agency at Toronto for the National of Ireland.

MR. REYNOLDS, London Secretary of the London & Lancashire Fire, is retiring after forty years' active service. He will be remembered here by the older members of the insurance profession as manager of the Unity Fire in Canada in the sixties.

AMONG THE CALLERS at the CHRONICLE office recently were Mr. Ira B. Thayer, superintendent of agencies of the Sun Life of Canada, who has been in Great Britain for some time; Mr. J. E. E. Dickson of St. John, N.B.; Mr. H. D. P. Armstrong of Toronto, and Mr. J. C. Norsworthy of Ingersoll.

MR. DAVID DEUCHAR, manager of the Caledonian Insurance Company, Edinburgh, arrived in New York on the 9th inst., and is expected to visit the Montreal branch of his Company in a few days. We notice that Mr. Deuchar has been elected to the distinguished position of president of the Faculty of Actuaries, Scotland.

MR. A. T. PATERSON has been elected a director of the London and Lancashire Life Assurance Company. Mr. Paterson is the Canadian representative of the Phoenix Fire office of London, and a director of the Bank of Montreal. The London and Lancashire is to be congratulated upon having selected such a clear-headed, honorable business man for their Board.

WANTED by an established British Fire Office, an Agent at Vancouver, B.C. Apply to "E," P.O. Box 2022, Montreal.

INSURANCE **ÆTNA** COMPANY

CANADIAN AGENCY ESTABLISHED 1821.

HARTFORD, CONN.

CASH ASSETS, \$10,915,830.00.

Fire and Inland Marine Insurance.

W. B. CLARK, President; A. C. RAYNE, Vice-Pres; JAS. F. DUDLEY Sec.; WM. H. KING, E. O. WEEKS, Assistant Secretaries.

WOOD & EVANS, General Agents. MONTREAL.

CAPITAL -



£2,127,500

Net premiums }
for year 1892 }

£881,056

OF LIVERPOOL, ENG.

WOOD & EVANS, General Agents.

FOR THE
Province of Quebec, MONTREAL.

UNION BANK OF CANADA.

Established 1867. **HEAD OFFICE, Quebec.**
 Paid-up Capital, \$1,200,000.
DIRECTORS.
 Andrew Thomson, President. E. J. Price, Vice-President.
 Hon. Thos. McGreevy, R. Oronx, D. C. Thomson, E. J. Hale,
 E. E. Webb, Cashier.
FOREIGN AGENTS.
 London—The Alliance Bank Limited. Liverpool—Bank of Liverpool, Limited.
 New York—National Park Bank. Boston—Lincoln National Bank.
 Minneapolis—First National Bank.
BRANCHES.
 Alexandria. Iroquois. Merricksavillo. Montreal.
 Ottawa. Quebec. Smiths Falls. Toronto.
 Winnipeg. W. Winchester. Lethbridge, Alberta.

MUNICIPAL DEBENTURES.

GOVERNMENT AND RAILWAY BONDS.

INVESTMENT SECURITIES.

BOUGHT AND SOLD

Insurance Companies requiring Securities suitable for deposit with Dominion Government or other purposes can have their wants supplied by applying to

R. WILSON SMITH,
 British Empire Building, MONTREAL.

Debentures and other desirable Securities purchased.

THE

CANADIAN BANK OF COMMERCE

HEAD OFFICE, TORONTO.

Paid-up Capital, - \$6,000,000 Rest, - - - \$1,100,000

DIRECTORS.

GEO. A. COX, Esq., President. JOHN I. DAVIDSON, Esq., Vice-Pres.
 W. B. Hamilton, Esq. George Taylor, Esq.
 Jas. Crathern, Esq. Matthew Leggatt, Esq.
 John Hoekin, Q.C., LL.D. Robt. Kilgour, LL.D.
 B. F. WALKER, General Manager. J. H. PLUMMER, Ass't Gen. Manager.
 A. H. IRELAND, Inspector. G. DE C. O'GRADY, Ass't Inspector

New York—Alex. Laird and Wm. Gray, Agents.

TORONTO—Head Office: 19-25 King Street West. City Branches: 712 Queen Street East, 430 Yongo Street, 791 Yongo Street, 286 College Street, 541 Queen Street West, 329 Parliament Street, 163 King St. East, Toronto Junction.

BRANCHES.

Alba Craig	Chatham	Jarvis	St. Catharines	Thorold
Ayr	Collingwood	London	Sarnia	Walkerton
Barrie	Dundas	Montreal	S. Ste. Marie	Walkerville
Bellefille	Dunnville	Orangeville	Seaforth	Waterloo
Berlin	Galt	Ottawa	Simcoe	Windsor
Bienheim	Goderich	Paris	Stratford	Woodstock
Branford	Geolph	Parkhill	Stratroy	Winnipeg
Cayuga	Hamilton	Peterboro'		

Montreal Branch—Main Office, 157 St. James St., A. M. Crombie, Manager, J. L. Harcourt, Asst. Manager. City Branches: 19 Chaboillez Square, and 276 St. Lawrence Street.

BANKERS AND CORRESPONDENTS.

GREAT BRITAIN—The Bank of Scotland.
 INDIA, CHINA AND JAPAN—The Chartered Bank of India, Australia and China.
 PARIS, FRANCE—Lazard Freres & Co.
 AUSTRALIA AND NEW ZEALAND—Union Bank of Australia.
 BRUSSELS, BELGIUM—J. Mathieu & Fils.
 NEW YORK—The American Exchange National Bank of New York.
 SAN FRANCISCO—The Bank of British Columbia.
 CHICAGO—The American Exchange National Bank of Chicago.
 BRITISH COLUMBIA—The Bank of British Columbia.
 HAMILTON, BERMUDA—The Bank of Bermuda.
 KINGSTON, JAMAICA—Bank of Nova Scotia.
 BELGUM—First National Bank.
 HAMBURG—Deutsche Bank.

Commercial Credits issued for use in all parts of the world. Exceptional facilities for this class of business in Europe, the East and West Indies, China, Japan, South America, Australia, and New Zealand.

Travellers Circular Letters of Credit issued for use in all parts of the World.

THE

CANADA LIFE

Assurance Company

Head Office, Hamilton, Ont.

Established 1847

CAPITAL and FUNDS over **\$14,300,000**

ANNUAL INCOME nearly **\$2,500,000**

Sum Assured over **\$62,700,000**

President, A. G. Ramsay. Secretary, R. Hills.

Superintendent, W. T. Ramsay.

THE

Steam Boiler & Plate Glass Ins. Co.

OF CANADA.

Head Office, - LONDON, Ont.

Subscribed Capital, \$200,000



Full Government Deposit

DIRECTORS.

E. JONES PARKE, Q.C., President. F. A. FITZGERALD, Esq., Vice-Pres.
 HOS. DAVID MILLS, Q.C., M.P. (President Imperial Oil Co.)
 (Ex Minister of the Interior.) JOHN MORRISON, Esq.
 T. H. PURDOM, Esq., London. (Ex Governor British America Assoc. Co.)
 J. H. KILLEY, Hamilton, Ont. JOHN FAIRGRIEVE,
 Consulting Engineer. Chief Inspector.

JAMES LAUT, MANAGER.

Our Steam Boiler Policy covers all loss or damage to the Boilers; also to property of every kind on the premises, or elsewhere, for which the assured would be liable in case of an explosion, and includes regular inspection by an expert engineer during the time that the policy is in force.

Our Plate Glass Policy covers all loss through breakage by accident of Plate Glass Windows, Mirrors and Show Cases.

Griswold's Fire Underwriters' Text Book.

Should be in the hands of every fire underwriter. Limited number of Copies left. For sale at the Office of

THE INSURANCE & FINANCE CHRONICLE, MONTREAL.

Price, \$10.00.

THE GREAT = WEST

Life Assurance Co.

Head Office - - - - - Winnipeg

The attention of the insuring public and live progressive agents is called to the following reasons for selecting this Company:

First. It is the only Canadian Company giving its policy-holders the security of a four per cent. reserve; all others without exception reserving on a lower standard.

Second. The policy contract is as liberal as any issued. No restrictions as to residence, travel or occupation, and incontestable after one year.

Third. The premium rates are low and the cost to the policy-holder is certain to be less than in any other Company because a better rate of interest can be earned in the West than at the home of any other Company.

Fourth. Every desirable plan of Insurance is issued from the low priced "PAY AS YOU GO" plan to the shortest single premium endowment.

Agents wanted in unrepresented districts. Application may be made at the HEAD OFFICE, WINNIPEG, or to

Alexander Cromar, Manager for Ontario, 12 KING STREET, EAST, TORONTO.

SUN INSURANCE OFFICE,

FOUNDED A.D. 1710.

HEAD OFFICE:

Threadneedle Street, - - London, Eng.

Transacts Fire business only, and is the oldest purely fire office in the world. Surplus over capital and all liabilities exceeds \$7,000,000

CANADIAN BRANCH:

15 Wellington Street East, - Toronto, Ont.

H. M. BLACKBURN, Manager.

W. ROWLAND, Inspector.

This Company commenced business in Canada by depositing \$300,000 with the Dominion Government for security of Canadian Policy-holders.

CALEDONIAN INSURANCE CO. OF EDINBURGH

ESTABLISHED 1805.

THE OLDEST SCOTTISH FIRE OFFICE

CANADIAN BRANCH.

45 ST. FRANCOIS XAVIER ST., MONTREAL.

LANSING LEWIS,

Manager.



PHOENIX INSURANCE COMPANY

(Of Hartford, Conn.)

ESTABLISHED IN 1854.

CANADIAN BRANCH.

Full Deposit with the Dominion Government.

Head Office:

114 St. James Street, MONTREAL.

SMITH & TATLEY,

G. M. SMITH, J. W. TATLEY

Managers for Canada.

Applications for Agencies solicited.

PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY OF NEW YORK.

SHEPPARD HOMANS, President.

Nineteenth Annual Statement

FOR THE YEAR ENDING DECEMBER 31st, 1893.

Income.....	\$ 2,149,859.61
Paid Policy-holders.....	1,333,783.25
Total Expenses of Management.....	442,767.61
Gross Assets.....	1,516,271.82
Liabilities, Actuaries' 4% Valuation.....	801,945.77
Surplus, Actuaries' 4%.....	714,326.05
Policies issued in 1893.....	23,669,308.00
Policies in force December 31st, 1893.....	83,101,434.00

\$50,000 deposited with the Dominion Gov't.

ACTIVE AGENTS WANTED.

R. H. MATSON, General Manager for Canada.

Head Office, - - - 37 Yonge St., Toronto.

1850 THE 1894

United States Life Insurance Co.,

IN THE CITY OF NEW YORK.

OFFICERS:

GEORGE H. BURFORD, President.
 C. P. FRAJFELGH, Secretary.
 A. WHEELWRIGHT, Assistant Secretary.
 WM. T. STANLEN, Actuary.
 ARTHUR C. PERRY, Cashier.
 JOHN P. MUNN, Medical Director.

FINANCE COMMITTEE:

GEO. G. WILLIAMS, Pres. Chem. Nat. Bank.
 JOHN J. TUCKER, Builder.
 E. H. PERKINS, JR., Pres. Importers' and Traders' Nat. Bank.

The two most popular plans of LIFE INSURANCE are the CONTINUABLE TERM POLICY which gives to the insured the greatest possible amount of indemnity in the event of death, at the lowest possible present cash outlay; and the GUARANTEED INCOME POLICY which embraces every valuable feature of investment insurance, and which in the event of adversity overtaking the insured may be used as COLLATERAL SECURITY FOR A LOAN, to the extent of the full legal reserve value thereof, in accordance with the terms and conditions of these policies.

Good Agents, desiring to represent the Company, are invited to address the PRESIDENT at Home Office.

FIRE. LIFE. MARINE.
COMMERCIAL UNION

Assurance Company Ltd. of London, Eng.

Capital and Assets, - - - - -	\$27,947,330
Life Fund (in special trust for Life Policy Holders)	7,343,285
Total Annual Income, - - - - -	7,500,000
Deposited with Dominion Government, -	374,246

HEAD OFFICE CANADIAN BRANCH:

1731 Notre Dame Street, - MONTREAL.

EVANS & MCGREGOR, Managers.

Applications for Agencies solicited in unrepresented districts.

Scottish Union & National

Insurance Company of Edinburgh, Scotland.

ESTABLISHED 1824.

Capital, - - - - -	\$30,000,000
Total Assets, - - - - -	40,506,907
Deposited with Dominion Government, -	125,000
Invested Assets in Canada, - - - - -	1,415,466

M. BENNETT, Manager North American Department.

J. H. BREWSTER, Asst. Manager.
HARTFORD, Conn.

WALTER KAVANAGE, - Resident Agent,
17 St. Francois Xavier Street, MONTREAL.

UNION ASSURANCE SOCIETY.

OF LONDON.

Instituted in the reign of Queen Anne,
A.D. 1714.

Subscribed Capital, - - - - -	\$2,250,000
Capital Paid up - - - - -	900,000
Total Invested Funds exceed - - - - -	12,000,000
Annual Income, - - - - -	1,300,000

T. L. MORRISEY

RESIDENT MANAGER FOR CANADA.

55 ST. FRANCOIS XAVIER ST., MONTREAL.

N.B.—Applications for Agencies invited

The Temperance and General LIFE ASSURANCE COMPANY.

HEAD OFFICE, Manning Arcade, TORONTO.

HON. GEO. W. ROSS, Minister of Education, PRESIDENT.
HON. S. H. BLAKE, Q. C. } VICE-PRESIDENTS
ROBT. McLEAN, Esq. }

Policies issued on all the best approved plans, both Level and Natural Premium. Total abstainers kept in a separate class, thereby getting the advantage of their superior longevity.

H. SUTHERLAND,
Manager.

AGENTS WANTED.

THE **CANADA ACCIDENT**

ASSURANCE COMPANY.

Incorporated in 1887.

THE CANADA ACCIDENT has acquired the business of the

MUTUAL ACCIDENT ASSO'N. (of Manchester),
THE CITIZENS OF CANADA, and
THE SUN OF CANADA.

THE CANADA ACCIDENT is now controlled and guaranteed by the PALATINE INSURANCE COMPANY (Limited) of Manchester, but will continue under its original name, but with new Officers and Manager, and is fully prepared to offer Accident Insurance in all its branches, together with Employers' Liability Indemnity on the most liberal terms.

HEAD OFFICE:

1740 Notre Dame Street, - MONTREAL.

LYNN T. LEET, Manager.

UNITED FIRE INSURANCE COMPANY OF MANCHESTER, ENGLAND.

This Company in addition to its own Funds has the security of those of the

PALATINE INSURANCE CO of England,

The combined Assets being as follows :

Capital Subscribed.....	\$5,550,000
Capital paid up in Cash.	1,250,000
Funds in Hand exceed	2,750,000
Deposit with Dominion Government for Protection of Canadian Policy-Holders	204,100

HEAD OFFICE FOR CANADA, 1740 Notre Dame St., MONTREAL.

J. A. ROBERTSON, Supt. of Agencies.

T. H. HUDSON, Resident Manager.

NOVA SCOTIA BRANCH,
Head Office, Halifax,

NEW BRUNSWICK BRANCH,
Head Office, St. John,

MANITOBA, E.C. & N.W.T. BRANCH,
Head Office, Winnipeg.

ALF. SHORTT, General Agent

H. OHUBE & CO., General Agents.

G. W. GIRDLESTONE, General Agent.

The "United" having acquired by purchase the business and good will of the "City of London Insurance Company," and assumed all the liabilities of that Company, is alone entitled to the benefit of the connection thus formed, the continuance of which it respectfully solicits.

The British America

INCORPORATED 1833.

ASSURANCE COMPANY.

HEAD OFFICE, - - - TORONTO.

OLD RELIABLE PROGRESSIVE

FIRE AND MARINE INSURANCE.

Cash Capital, - - - \$750,000.00
Total Assets, - - - 1,392,249.00

Losses paid since organization, \$13,242,397.27

DIRECTORS :

GEO. A. COX, **J. J. KENNY,**
President. *Vice-President.*

A. M. SMITH JOHN HOSKIN, Q.C., LL.D.
S. F. MURKINSON ROBERT JAFFRAY
THOMAS LONG AUGUSTUS MYERS

P. M. PELLATT.
P. H. SIMS, *Secretary.*

C. R. C. JOHNSON, Resident Agent,
42 St. John Street, - - - MONTREAL

THE WESTERN

Assurance Company.

FIRE AND MARINE.

INCORPORATED IN 1851.

Head Office, - - - TORONTO.

Capital.....\$2,000,000
Cash Assets, over 2,400,000
Annual Income, over..... 2,350,000

LOSSES PAID SINCE ORGANIZATION, \$18,000,000

DIRECTORS :

A. M. SMITH, **GEORGE A. COX,**
President. *Vice-President.*

HON. S. C. WOOD ROBERT BEATY
GEO. B. R. COCKBURN, M.P. W. R. BROCK
GEO. McMURRICH H. N. BAIRD

J. J. KENNY, *Managing Director.*

Agenies in all the principal Cities and Towns in Canada
and the United States.

FORTY-EIGHTH ANNUAL REPORT
OF THE

New-York Life Insurance Company

JOHN A. McCALL, President.

SUMMARY OF REPORT.
BUSINESS OF 1893.

Premium Income,	\$27,448,657.44
Interest, Rents, etc.,	6,374,989.51
Total Income,	\$33,863,646.95

Death Claims,	\$8,410,093.46
Endowments and Annuities,	2,490,702.90
Dividends, Purchased Insurances, etc.,	4,107,653.91
Total to Policyholders,	\$15,038,450.27

Number of New Policies Issued,	85,111
Amount of New Insurance Written,	\$223,848,991.00

CONDITION, JANUARY 1, 1894.

Assets,	\$137,499,198.99
Liabilities, 4 per cent. Standard,	\$131,675,151.03
Surplus,	17,025,630.18
Number of Policies in Force,	253,876
Amount of Insurance in Force,	\$779,156,678.00

PROGRESS IN 1893.

Increase in Benefits to Policyholders,	\$1,043,437.94
Increase in Assets,	11,201,582.22
Increase in Surplus,	220,682.08
Increase in Insurance Written,	50,243,921.00
Increase in Insurance in Force,	89,908,649.00

DAVID BURKE, GENERAL MANAGER.

Company's Building, - - - MONTREAL, Canada.