

declares he will not attempt to do just now is the very first thing required of him to do if the statements and comparisons made by me be germane to the question at issue.

As to this point I am willing that the readers of the *Mail*, should be the judges. Mr. Macdonald asserts that some of my statements are "quite contrary to facts," but fails to point one of them out. To show the inadequacy of the rates of the I. O. F., Mr. Macdonald gives us a table, premising the same with the following observations:—

"It is quite immaterial for the object in view what age it selected, but I will take age forty-nine—the oldest age as which a person can enter on the foregoing conditions the Special Endowment Fund of the Order, as the expectation of life at that age is shortest, and it will be more convenient for the purpose of the following table."

The statements in the above quoted paragraph are "quite contrary to facts." The oldest age at which a person can enter the Endowment Fund of the Order is 54, and the expectation of life is shorter at that age than it is at 49.

The table No. 1, which is given below, will explain why Mr. Macdonald did not select age 54 instead of age 49.

TABLE No. 1.

Age.	No. dying per 1000 age to Adv. ex. Tab. of Mortality	No. Dying at each age out of 1,000 Ent. at Age 49.	No. Living at each age out of 1,000 Entrants.	Assessments Recd. (\$80) with 6 mos. Interest at 6 per cent.	Claims Pd. with 6 mos. Interest at 6 per cent.	State of Endowment Fund.
54	17.40	17.40	1000.00	36.900	17.535	19 065
55	18.57	19.24	982.60	36.258	18.696	37.530
56	19.88	19.17	964.36	35.685	19.649	55.395
57	21.33	20.16	945.19	34.878	21.664	72.379
58	22.94	21.22	925.03	34.134	21.751	88.381
59	24.72	22.34	903.81	33.350	22.899	103.251
60	26.69	23.53	881.47	32.526	24.118	116.822
61	28.88	24.78	857.94	31.658	25.400	128.921
62	31.29	26.07	833.10	30.744	26.722	139.339
63	33.94	27.39	807.09	29.783	28.075	148.066
64	36.87	28.75	779.70	28.771	29.469	154.771
65	40.13	30.14	750.95	27.710	30.894	159.325
66	43.71	31.51	720.81	26.698	32.298	161.691
67	47.65	32.84	689.30	25.435	33.661	161.444
68	52.00	34.13	656.46	24.223	34.983	158.756
69	56.76	35.32	622.33	22.964	36.203	153.455
70	61.99	36.39	587.01	21.661	37.290	145.489

Thus when a 1,000 Foresters entering at age 54 have reached their 70th birthday, without any allowance being made for the reduction in the actual cost of insurance, below that given by the mortality tables due to medical selection, which some eminent authorities say, as already stated, is as high as 50 per cent during the first five years after admission, there will be left a surplus of \$145,499 remaining from their contributions after paying the full amount required by Mr. Macdonald's tables.

Let me now briefly recall one of the statements made by me in my former letter:—

I said that the founders of the I. O. F. "came to the conclusion that the figures of actuaries were modified by certain conditions which are invariably present in every well regulated company, and that

by reason of those modifications insurance benefits could be given by a society like the I. O. F. for a much less sum than is charged by the Old Line Companies." I then explained in detail some of these conditions. Mr. Macdonald discreetly refuses to join issue with me in so far as the above statement is concerned. On the contrary, he is forced to admit that there is something in it when he states as follows:

"No doubt some benefit may accrue from this source, [viz., the infusion of new blood], but it will be of a temporary nature merely, and will completely disappear in five, or at the outside seven or eight years. For the sake of argument however, we will assume that this much talked-of infusion of new blood or medical selection, will have the effect of reducing the total number of deaths which will occur during the twenty-two years amongst the above 1,000 members."

When Mr. Macdonald makes this admission, I submit he virtually concedes the case of the I. O. F. The terms in which he makes the admission is somewhat confused, it is true; for everybody knows that no amount of infusion of new blood could possibly affect the number of deaths occurring among the above 1,000 members, but we must take Mr. Macdonald at what he probably means, that the medical selection of the 1,000 members makes the reduction in the number of deaths. The only question left is one of estimate as to the extent of the modifications made in the figures of actuaries, by "Medical Selections," by the "infusion of new blood" and by "lapses." That Mr. Macdonald's estimate of the extent of these modifications is wholly unreliable, can be proven from the actual experience of every Society and of every well-conducted insurance company. In table No. 2 we have given the actual experience of the I. O. F. between the 5th and 16th years of its existence:

TABLE No. 2.

Year the Foresteric Year Ending with 30th June.	Shows the Age of the I. O. F. at Date.	Death Rate per 1,000 as per American Exp. Table.	Death Rate per 1,000 in the Ind. Order Foresters.	Amts. Recd. in each year for the Insurance Department of I. O. F.	Amounts Paid by I. O. F. in Insurance Benefits.	Amounts Taken for Management Expenses.	Amount of the Surplus in I. O. F. at end of each year in the Insur. Fund.
1881 5th year	9.78	Under	Under	Amer.	Sup.	Court.	
1882 6th "	10.01	7.69	\$ 31,391	\$ 7,300	\$ 3,599	\$ 3,593	
1883 7th "	10.25	7.10	34,508	9,000	649	4,880	
1884 8th "	10.52	6.30	33,534	10,409	1,177	17,187	
1885 9th "	10.83	5.70	37,350	15,068	1,390	28,906	
1886 10th "	11.16	5.30	40,784	27,500	2,039	36,465	
1887 11th "	11.56	5.00	47,506	34,760	3,236	66,974	
1888 12th "	12.00	6.40	53,951	44,750	4,682	84,444	
1889 13th "	12.51	3.90	137,193	76,100	6,360	152,968	
1890 14th "	13.11	6.06	197,894	142,772	9,895	204,815	
1891 15th "	13.78	5.75	283,560	149,725	14,430	336,766	
1891 16th "	14.54	3.01	183,355	97,221	9,169	408,798	

*6 months from 1st July to 31st Dec., 1891.

An examination of the above table shows several points of more or less importance.

1st. It shows that the I. O. F. during the time shown in the table collected from its members \$1,086,056.