

Q. On some method of your own?

(Counsel for the company objects to the cross-examination of witness until the direct examination is closed.)

By Mr. Geoffrion, Counsel for the Company :

Q. Is Exhibit 53c a correct calculation based upon the figures appearing in the blue-books?—A. It is.

Q. Reference has been made to the choice that you made of the six Canadian companies in Exhibit 53b. Is the effect of your choice that the ratio of expenses for those six companies is larger than it would have been by choosing others?—A. The column (a) gives all the Canadian companies, and, as I explained, I did not regard that as fair, because it did not include the younger and smaller companies, and therefore I took the older companies and those doing most business for column (b), with the result that the ratio of expenses was reduced materially from column (1), and not increased. I think it is a fairer basis of comparison.

By the Hon. Mr. McMullen :

Q. Did you take all the old line companies doing business before 1895?—A. I do not know.

Q. Are you prepared to say there were only six companies in Canada doing business before 1895?—A. I do not know whether there were or not.

Q. Did you take all the companies doing business in Canada before 1895, and were there only six?—A. That is my impression, but I am not certain in regard to that. The companies we did take were the companies in existence prior to 1885, which are doing both a Canadian and a foreign business, so as to get the broadest basis.

By Mr. Geoffrion, Counsel for the Company :

Q. Please look at statement 53b, and tell us on what that is based, how it was prepared and whether it is correct?—A. It is based upon the sworn reports of the company to the New York Insurance Department, with the single exception that in those years in which the company did not report its membership fees to the New York Insurance Department, the membership fees are added both to the income and the outgo, so as to get the uniform basis.

EXHIBIT No. 53 D.

As to gross expenses, (a) total business; (b) business outside of Canada; (c) Canada business.

Basis of comparison:—Expenses per \$1,000 of insurance carried one year:

Year.	(a)	(b)	(c)
1885.....	\$ 5 26	\$ 5 27	\$ 5 05
1886.....	4 67	4 61	5 83
1887.....	4 24	4 19	5 11
1888.....	4 17	4 12	4 91
1889.....	4 25	4 21	4 86
1890.....	4 36	4 31	5 02
1891.....	4 66	4 61	5 27
1892.....	4 82	4 78	5 34
1893.....	5 21	5 16	5 89
1894.....	5 60	5 66	6 20
1895.....	5 84	5 84	5 93
1896.....	5 04	5 08	4 61
1897.....	5 75	5 90	4 52
1898.....	6 28	6 40	5 29
1899.....	6 17	6 26	5 49
1900.....	7 17	7 32	5 92
1901.....	10 71	10 90	8 31
1902.....	11 04	11 22	8 27
1903.....	11 49	11 74	7 99

Totals..... \$5 96 \$5 99 \$5 58