The election of directors was then held and the scrutineers reported the following elected: C. H. Gooderham, T. S. Stayner, Hon. Senator J. C. Aikins, H. S. Howland, Capt. W. F. McMaster, John Ryan and the Hon. S. C. Wood.

At a subsequent meeting of the directors C. H. Gooderham was elected president and T. S. Stayner vice-president for the coming year.

CANADA LIFE ASSURANCE COMPANY.

A large number of shareholders were present at the annual meeting of the Canada Life, held on Tuesday, 14th of February, in Hamilton.

The following is a synopsis of the annual report:

At the close of the company's 52nd year, the directors have to submit their annual report, along with the usual statements of the year's receipts and payments, and of the assets and liabilities, as at the 31st December, last.

During 1898 the applications for assurances were 2,989 in number, for the sum of $6,152,764.75. Of these 181 were declined, for $368,600, the lives not being deemed desirable for the company's acceptance, and 159 for $310,845, not being completed, the actual issue of the year was 2,649 policies for $5,473,319.75. This amount is an advance upon the business of the past two years, and, as it is doubtless an indication of the increased prosperity of the country, it may also be mentioned that the new assurances of the current year at this date are in excess of these recent years.

The total business in force at the 31st December last was $75,256,241.35 of assurances, under 34,733 policies, upon 25,464 lives. The amount paid to policyholders, or their representatives, for policies which became claims by death during the year, was $881,808.88, and for endowment policies, which had matured, $120,693.67. In addition to these sums there were paid on policies by way of profits $194,353.53, and for surrendered policies $107,376.59, making the total payment to policy-holders $1,304,232.67.

The reserve necessary on account of all the company's policy risks, and all other liabilities and capital stock, as shown by the general abstract, with the addition of $225,000 set aside as a special voluntary provision, towards the higher reserve basis, to which the lower rates of interest now obtainable makes it prudent to look forward, and adding $30,000 to the contingent account, there is left a surplus over all liabilities, amounting to $1,818,747.89.

During the past year the company sustained a very great loss by the death of Col. Sir Casimir S. Gzowski, K.C.M.G., who had been on the board of directors for twenty-five years. His wise counsel and earnest readiness to at all times promote the best interests of the company were invaluable to it, and his courteous and gracious bearing towards his colleagues warmly endeared him to them.

FINANCIAL ABSTRACT FOR YEAR 1898.

(On basis of Government Returns).

Premium income (net)	$2,167,488 72
Interest, rents, etc.	868,960 72
	$3,036,449 44
Paid policy-holders*	$1,295,370 45
Expenses, taxes, etc.	438,304 76
Balance	1,302,774 23
	$3,036,449 44

ASSETS, JAN 1ST, 1899.

Ledger assets	$19,225,660 01
Other assets	813,157 32
Total assets	$20,038,817 33

Liabilities.

Assurance reserve fund (4 per cent.)	$17,621,216 00
Special reserve towards higher standard	225,000 00
All other liabilities	373,853 44
	$18,220,069 44
Surplus over all liabilities	1,818,747 89
	$20,038,817 33

Assurances in force over $75,000,000.00.

*Exclusive of $8,862.22 received for re-assurance.

The president, Mr. A. G. Ramsay, in moving the adoption of the report, said: "The annual report by the directors and the accompanying statements tell the story of the company's fifty-second year. It is the twenty-fourth year in which I have had the honor as president of submitting a report to you, and it is with the same satisfaction and confidence as I have happily had upon all these occasions, and indeed during all the forty years of my connection with the company, that I am able to point to the success and the sound position which the company occupies. In again congratulating you, I would call your attention to some of the figures to which the report alludes. The new business during the year was in excess of that of the previous year, and looking to the increased number of companies, all eagerly competing for business, some of them purchasing it at a greater cost than we have thought prudent or safe, or beneficial to the true interests of those already assured, such a result speaks well for the public confidence which the company enjoys. Our new business having been obtained without undue expense, and with a scrupulous care not to mislead applicants, will prove of a more enduring character, and of more real profit and advantage, than would a larger business, otherwise secured, upon systems which our company has not thought desirable.

"In speaking about new business, I would like to give you a few remarks from a very excellent paper read the other day before the Actuarial Society of Glasgow. The author says that while all know that the health of a man will be impaired by too much food, especially if it be rich and costly, there are few who understand that it is possible to injure a life office, by giving it too much new business, no matter at what cost it may have been obtained. He pointed out that it is not by any means surprising that a big new business is so highly prized, and its advantages so greatly exaggerated, for it is the big new business that raises the fees of directors, that raises the salaries of the presidents, managers and officials, and causes the annual rejoicing on the day of the annual meeting. Reserves may be inadequate, funds badly invested, expenses of management may be ruinous, and bonuses may be infinitesimal, but if there is a large new business to report, everybody is congratulated on being connected with such a highly prosperous concern. The big new business is like charity in covering a multitude of sins, but a big new business is not so much a matter of merit as a matter of price.

"There are already indications that companies which have been unduly expanded and differently conducted from the Canada Life, not following the conservative and economical principles by which it has been guided, are suffering the effects of their different course, and can only avoid its consequences by not holding that full reserve which we do for the protection and safety of our policy-holders, and while I am alluding to these affects of undue expansion and undue expenditure, I may point you to the fact that the great companies whose business is of the largest amount, and whose enormous growth makes them apparently of the most progressive and prosperous character, are just those who have been the most conspicuous in the decline of the profits or surplus, which they have been able to give their policy-holders. During the past ten years the profits of these very progressive companies have been so reduced, that the greatest and largest of them is now paying its policy-holders by way of profits, less than one-half the percentage to premiums they were paying ten years ago.

"The ratio of our company's expenses to its income is of a moderate amount. It was last year 13.61 per cent., and I would, without alluding to any other company in particular, invite those who are interested in doing so to compare that with the corresponding ratio of any other company doing business in Canada. Mere magnitude of business without regard to its cost, is a distinct and direct injury, and injustice to our older policy-holders, whose advantage and security should be our first care. As the report states our assurances in force, which were ten years ago forty-seven million dollars, are now seventy-five million dollars. The payments for profits, claims by deaths, and for endowments maturing last year were, it will be seen, $1,196,856.08, and as an evidence of the directors' care and sagacity in the selection of the lives assured, I may mention that the year's mortality was largely under what was anticipated and provided for. The sum added to the assets of the company during the year was larger than had ever before resulted from any year's operations. The new premiums of the year's new business were $200,919.42, and I may explain that the total year's premiums would have exceeded the large amount shown by the accounts, but that so many of our policy-holders having very prudently in past years taken their policies on the system of premiums ceasing after a limited number of years, they have now completed their payments, and their policies are free from future premiums to the company. The directors have each year, for some time back, called your attention to the decline in the rate of interest obtainable upon satisfactory investments, and I am sorry to have to repeat that that decline still continues to be experienced by this and all other investing companies, and it has to be added that in our opinion, and in that of everyone who has given consideration to the question, there is no prospect of any permanent improvement in that respect, but rather the reverse. Under such circumstances, and looking to the fact that a life assurance company's obligations are based upon an assumption of interest to be obtained during very long periods, extending up to, say, fifty years in the future, it is a matter of prudent regard for the solidity and safety of the company and its policy-holders, that we should prepare to still further strengthen our reserves upon policies. With that view, it will be observed by the accounts, that a sum of $225,000 has been set aside as a special fund towards a higher valuation standard. The wisdom and prudence of this course, will, I am sure, commend itself to you and all interested in the company.

Mr. F. W. Gates, vice-president, seconded the adoption of the report, which was unanimously carried.

Messrs. Campbell Ferrie, J. H. Plummer and W. F. Findlay were appointed scrutineers of the meeting.

On motion, a vote of thanks to the president and directors for their attention to the interests of the company during the year, was unanimously carried, and briefly responded to by President Ramsay. Mr. Adam Brown moved the thanks of the shareholders be tendered to the agents, officers, medical and legal advisors of the company, to whose exertions in the interests of the company its re-