

cash?" By no means hard up for cash, according to their official return, for they show cash in hand \$4,144 and cash in bank \$222,368. The reason they have declined to pay back money to stockholders who have applied for it is, as we understand it, that they will hold on to share money just as long as their by-laws say they may. If a man or a woman expected his or her money back in less than six or eight or ten years, they should never have put it in.

We are further asked whether Mr. Phillips, the president, is a professional man, seeing that he is so much interested in literature as to publish a magazine, and also distribute pianos. In reply, the artist has many sides. Mr. Phillips, we have heard, was a preacher of the Gospel in the Old Country once: we have not been told of what denomination. This circumstance is not mentioned to his discredit—quite the contrary; but it is manifest that he did not find in the Gospel ministry the sort of field he desired for his talents. Else, having put his hand to the plough in that direction, we should not find him ten years after putting his hand instead to the trowel and the spade, so to speak, in the construction of avenues and houses in the far west of Toronto, close to High Park. He is a lover of beauty—of this we are sure, and has taste in music.

The company has hundreds of thousands of dollars invested in freehold real estate, mainly in the outskirts of Toronto. Its managers have spent money as if they had the revenues of a principality to draw upon; cutting down sandhills and levelling up ravines in making streets and boulevards whereon to erect houses. In the enquiry proceedings before a committee of the Nova Scotia Legislature it came out that the York Loan Company had in 1897 forfeited shares of holders to the extent of \$44,440; in 1899, of \$34,793; in 1901, of \$62,163; and in 1902 of \$77,050, making the very considerable total of \$218,446. And in 1903 the forfeitures were \$87,679. Are these moneys put speculatively into sand and grass, bricks and mortar, drains and culverts? The way in which these forfeitures are managed is, according to the testimony of Mr. Phillips, the president: "When a man cannot keep up his payments, his money [already paid in, and which he cannot get back till the company is ready to pay him] lies with us to his credit till the expiry of the term, when he gets it—with the statutory reduction of 10 per cent."

This confirms what has been learned experimentally by many shareholders in Hamilton and elsewhere, that the managers of this concern hang on like grim death to the money of shareholders, investing it in vacant lots, sometimes in dwellings (here and there vacant, too), pianos, National magazines, insurance policies—for Mr. Phillips has declared that the York County Loan agents canvass for his monthly magazine and his life assurance company. And when the term of the company's shares expires, in an indefinite number of years, their accumulations are docked of 10 per cent., which is termed by Mr. Phillips "a statutory deduction." The word "statutory" has a fine, authoritative sound, but its meaning is that a by-law of the company is invoked to enable the managers to keep one-tenth of shareholders' money, not as plunder, that is too harsh a word, for the president is

a modern philanthropist; but as a reserve commission in the interests of experimental enterprise or of financial science of the Phillips order.



## COUNTERFEIT LIFE INSURANCE.

### A Fourteen Years' Record.

For about twenty years past we have been in the habit of collecting and presenting to our readers some information in tabular form as to the record of the leading fraternal societies in their work of furnishing cheap life insurance on the assessment plan. Herewith we give the figures of thirty-five societies as to the number of their members and the cost of the temporary insurance they have, most of them during fourteen years past, supplied to those members.

In their earlier stages, varying from ten to fifteen years after starting business, all of these societies made a rapid increase in their membership. After fifteen years, in most of them, death calls increased in numbers or in amount, and new members, therefore, came in but slowly. At about twenty years of a society's age the tide usually began to turn, until more members were going out, for one reason or another, than could be induced to come in. Hence, many societies are now on the standstill, or on the downgrade, in the number of their membership.

A mere glance at the figures in the second section of most of the following tables will show the trend of the business since the opening of the new century. Nearly every branch of the Ancient Order United Workmen shows an actual decrease in membership, in the States. In Canada, the past year's growth is the smallest for many years, amounting to only 721 members. And since the 1903 record closed the experience of this body has become alarming. Two extra assessments have been made, and the Order is very much disturbed thereby. The Grand Master says (in a letter submitting to the members the question of a permanent increase in the rates): "These extra assessments have had a disastrous and irritating effect."

To show what the effect has been we may say that, while 1903 closed with 46,125 members on the roll (see No. 8 below), the number of paying members at the end of March had fallen to 43,305, at the end of April to 42,910, at the end of June to 42,430, and at the end of July to 41,121. This means a drop of over 5,000 in about six months in spite of all the new members that could be persuaded to come in. The death claims paid in July, a year ago, were 24 for \$45,685, and this year were 34 for \$59,500 upon a much smaller number of contributors. A special meeting of the Advisory Board is to consider what to do, so soon as the membership has been heard from. No doubt the rates will be increased, causing another loss of perhaps 5,000 more of the most desirable and healthiest members.

But the same thing is going on in the American jurisdiction of the A.O.U.W. The increase of rates called for by the Supreme Lodge at Meadville, Penn., a year ago, has resulted in the dropping out of nearly 100,000 members. There were 450,865 in December, 1892, and one year later they numbered only 423,015, notwithstanding the 64,805 new recruits. And the