

THE INDEPENDENT ORDER OF FORESTERS.

Editor of the Monetary Times:—

Sir,—Being a member of a firm who have been subscribers to your valuable paper for a number of years, I have frequently seen remarks made by you in reference to the management of the Independent Order of Foresters. And being a member of that order for upwards of twenty years and somewhat anxious for the success of the society I have taken much interest in your remarks, which I trust have been without prejudice.

I notice in your paper under date of May 6th last, that a reference was made by the Superintendent of Insurance for the State of New York, in speaking of assessment and fraternal insurance in which he expressed his opinion "that this system of insurance is fundamentally unsound." In your issue of May 13th last, reference was made by you to a letter received from your Montreal correspondent, referring to a gathering in that city of a number of the members of the Independent Order of Foresters, from which you made some remarks under the heading of "An Alluring Blow-Out," and giving the assets and liabilities of the order as follows: Number of certificates in force at the end of last year were 219,492 in all countries, representing an insurance of \$238,124,000. Put against this, sum on hand \$7,326,582, and we have the munificent sum of \$3.07, which statement was corrected by you later and acknowledged to be over thirty dollars per each member. Dr. Oronhyatekha, the Chief of the Order, in his report at the meeting of the Supreme Court held in Toronto in 1898, referred to the advantages to the membership of a fraternal society, in which he said, "No one at the present day can deny the fact that insurance benefits can be given at a less cost by a society with a lodge system than by the old line companies for the following among other reasons. (a) Because in the former system the security of new members is done largely by the Courts or Lodges practically free of cost. (b) Because thereafter the assessments of the members are collected by the Courts and sent to the Supreme Court free of cost. (c) Because no dividends are required to be earned with which to satisfy shareholders. (d) Because all the profits are carried to the credit of the policyholders and used in reduction of the cost of their benefits."

The Dr. then attempts to show the manner in which policyholders are treated by old line companies. He is reported to have said; "In old line companies the insurance must always cost more: (a) Because the greater portion or the whole of the first year's premiums or even more is used to pay agents for securing new members. (b) Because thereafter upon the payment of every annual premium there must be deducted a certain percentage as a renewal commission to be paid to the agent. (c) Because dividends must be earned annually for the shareholders, that being a fundamental of all the proprietary old line companies, and without which they would never be called into existence. (d) Because the profits are used to supplement the interests of the shareholders by bonuses, etc., instead of being used only in reduction of the cost of the benefits as is done in the Independent Order of Foresters and other fraternal beneficiary societies.

I am willing to admit that the members of the Executive Council (the Dr. among others) do not, neither do I think that the members of the subordinate courts expect to have the members of the said Executive give their services for a small amount, the figures for which I will give you as I proceed. I now wish to make some remarks in reference to the economy (?) which the Dr. says is practised in the expenses for management of the I.O.F., which he claims is only 5 per cent. Some of which are as follows, being a few among many others:

Six members of the Executive Council,	\$28,000.00 per year or \$89.45 per day.
Organizing salaries and expenses (for 1902) ..	184,834 " " " 590.52 " "
General management (for 1902)	97,586.61 " " " 311.78 " "

"Forester" and supplies

(for 1902)	72,059.27 " " " 230.22 " "
Branch offices (for 1902) ..	134,387.10 " " " 429.35 " "
Refunds (for 1902)	121,063.00 " " " 386.78 " "
Furniture and furnishings (for 1902)	6,132.00 " " " 19.59 " "
Travelling Expenses....	7,658.59 " " " 24.48 " "

BRANCH OFFICES.

Under the above heading in the Dec. 1900 "Forester," an item of expenses appeared as follows: "Chicago, London, Paris, Scandinavia, India and Australasia, including organizing expenses in Australia, amounting to \$13,147.31." May I be allowed to ask, do not branch offices in the above-named countries lessen our receipts very considerably when figures are produced showing that for 1902 the cost of that department was \$134,387.10, or \$429.35 per day as before stated.

THE TEMPLE BUILDING

Is certainly an ornament to the city of Toronto, and one which the members of the I.O.F. may feel proud of as far as appearances go, but financially I consider it not a success. In 1898 it was admitted to have cost the sum of \$700,000, to which there has been an addition in an alteration which cost \$40,000. The Supreme Chief stated in his remarks a few months ago that the receipts from the Temple Building for three months were \$10,326.19. Maintenance yet for the same period were \$5,154.52, leaving a balance of \$5,171.67, or an average of \$20,686.68 per year. The building referred to, of course, is one of the assets of the order, we will now suppose that the \$740,000 had been invested at 5 per cent. per annum, which would bring the interest up to \$37,050, consequently there is a loss to the order of \$16,363.32 per year.

(Remainder Next Week).

LIFE AND ACCIDENT ASSURANCE.

The former district manager of the Sun Life of Canada, at Newport News, Virginia, Mr. E. M. Peterson has been promoted to be state manager for North Carolina, with headquarters at Raleigh. Mr. Peterson has been with the company about a year.

Mr. A. B. Powell, manager of the Ottawa Fire Insurance Company, of Ottawa, having tendered his resignation, to take effect August 1st, we hear that Mr. C. E. Corbold, who has been assistant manager of the company for a year or two, receives the appointment of manager.

The Ontario Accident Insurance Co. issued a policy the other day for \$36,000, in the aggregate covering the employees of the Robert Simpson Co., Limited, while on their trip to St. Louis to see the World's Fair. The insurance also covers proportionate benefits for the loss of limbs or sight, and a weekly indemnity for temporary disablement. Both sexes are included in the insurance. Such proofs as this of interest in one's employees, added to the action of the T. Eaton Company in closing their shops from Thursday night to Monday morning to enable their hands to enjoy the Dominion Day holiday, are gratifying proofs that corporations take a humanitarian interest in the lives and the comfort of those who work with them.

The big three, as the Mutual Life, the New York Life, and the Equitable Life are called, are discussing the seriousness of the gambling evil in its effect upon their employees. The Mutual Life, it seems, has recently dismissed several employees who gave more attention to sporting news than to business. And now the Equitable has issued the following circular to its employees: Dear Sir,—For reasons that seem proper to the officials of the society, you are hereby notified that your presence on a race track, in a pool-room, or in future to be seen in company with persons whose business it is to place bets on horse races, will be counted as sufficient excuse on which to request your resignation from the affairs of the society.