

about 25,000 tons of refined copper and at the same time largely interested in copper mining, at first sought, in its own interests, to induce the management of the Rio Tinto Company, the largest individual producer in the world, to restrict its production within certain limits and guaranteeing to take such production at a stipulated price. The copper market was then at its lowest price, and the copper mines of Europe had been obliged to pass their dividends, while in this country it was a matter of life or death with all but a few of the most wealthy. Over-production and keen competition had resulted in cutting down both prices and profits. The Rio Tinto refused to become a party to such a compact, and accordingly those interested in the Societe des Metaux sought to accomplish their object by obtaining control of the shares of Rio Tinto, and this was the commencement of the speculation in copper mining stocks that has been in progress since the beginning of last autumn. As these operations progressed the aim and scope of the Societe expanded until it was deemed expedient to endeavor to form a combination of all the copper mining interests in Europe and this country that would bring into the scheme the bulk of the world's production. The basis on which the scheme has been carried out is, first, that the mines shall not exceed a certain limit of production; second, that the society guarantees a fixed price, which in this country is 13 cents for ingot; third, the Societe is to receive the half of whatever price is obtained over and above 13 cents; fourth, this pooling of interests is to last for three years. If the scheme proves feasible it will be profitable for the individual mines interested, and hence the boom that has taken place in their shares. The Societe is not to be held responsible for the active speculation in copper that has been a sort of camp following of these negotiations. It did buy up and control a large proportion of the available stock of Chili bars in London, and to some extent it has been a buyer of ingot in this country, but its speculations in this line have been nothing like what it has been credited with.—*N. Y. Shipping List.*

Meetings.

CONFEDERATION LIFE ASSOCIATION.

The sixteenth annual meeting of the above association was held on Tuesday, the 20th inst., at the head office of the company, 15 Toronto street, Toronto, at 2 p. m., and was well attended.

After the usual preliminaries, the chairman, Sir W. P. Howland, presented the following report and financial statements:—

REPORT.

The past year, in some aspects of its relation to life insurance, has been a peculiar one. Several causes have tended to make hard times, and that has not been without its effect on the business directly as well as indirectly. Indirectly, because it has paved the way for those specious schemes which promise impossible results, but which nevertheless attract; and also provided a fitting opportunity for the working of the co-operative or assessment schemes of so-called insurance. This last illusory system of "insurance" has practically received its highest commendation in the fact that its plans, or something so cognate as to merit twin-relationship, have been adopted by many of our regular life companies. Doubtless all these schemes have been adopted, if not for actual existence, at any rate for that measure of expansion without which living would scarcely be existence. They meet with present success, no doubt, but will certainly prove deceptive and unsatisfactory in the end. Meanwhile, however, companies like our own may suffer in a lesser volume of new business and a possible greater loss of the old. But your board is quite willing to do a moderate amount of business on legitimate lines, and wait till the time comes, as it certainly will come, when the eyes of the insuring public will be opened, and the trading on their credulity exposed. No plan of insurance has ever been offered to the public by this company which will not stand the test of years and experience, and the directors will offer no other. Life insurance, from its very nature, demands the very highest degree of trust from directors and management, and hence should not admit of anything calculated to mislead.

Guided by the principles referred to, your board has sought for business, and has great pleasure in being able to report, in the face of all the opposing influences, a volume of work, obtained at moderate cost, that must prove most satisfactory, accompanied by evidence of financial strength and liberality to the policy-holders unequalled within the same time and likely to remain so.

One thousand seven hundred and seventy-three applications, for a total assurance of \$2,745,295, were received and considered; 1,663, for \$2,571,795, were approved, and the rest were declined; 22 policies for \$33,300 were revived, making the total issue for the year 1,685 for \$2,605,095. The business in force at the close of the year was \$15,794,369, under 10,202 policies on 9,037 lives.

It is worthy of special note that the number of policies in force at the close of the year represented more than 50 per cent. of the whole issue of the company since its organization.

The death claims were heavier than usual, though still very favorable. Several large claims which fell in necessarily increased the amount. There were 64 deaths, calling for \$124,309.02, under 75 policies.

Some idea of the strength and resources of the company may be gained by observing the perfect ease with which that, and the other sums paid during the year for matured endowments, surrendered policies and profits, aggregating the large sum of four hundred and thirty-two thousand two hundred and seventy-one dollars, were paid in a single year to the policy-holders and annuitants, while the sum of \$286,633 was added to the reserve, and a large sum carried to surplus.

The financial statements submitted herewith exhibit the position of the company, and can hardly fail to prove satisfactory.

The higher rate of interest which has been obtainable during the past few months will doubtless postpone any change in the present standard of valuation; but your board does not intend to depart from the policy adopted last year, and will continue to reserve a portion of the surplus as not available for distribution, represented by the amount held as a contingent account last year, making good the several sums charged to it during the year. The splendid results to our policy-holders, already enjoyed by them, afford the best guarantee that they are not likely to suffer from that careful, conservative course.

Your board hoped to have commenced the new building before this date, but owing to a difficulty in getting possession of the site it has not been possible.

In the death of the Hon. Wm. McMaster, the board has lost one of its oldest members. He had filled the office of vice-president from the organization of the company, and had rendered valuable service. The board being already large, it was thought unnecessary to fill the vacancy upon it, but Edward Hooper, Esq., was elected to the vice-presidency.

Your board has pleasure in referring to the faithfulness of the office and agency staff.

All the directors retire, but are eligible for re-election.

J. K. MACDONALD, W. P. HOWLAND,
Managing Director. President.

FINANCIAL STATEMENTS.

Receipts.

Net ledger assets carried forward from 1886	\$1,858,824 97
Real estate written down	6,451 35
	\$1,852,373 62
Dec. 31st, 1887.	
Premiums	\$516,007 61
Annuities	8,822 47
Temporary reductions to premiums, purchased by profits	153,914 01
Cash value of surrendered policies, applied to purchase temporary reductions	1,547 47
Interest and rents	112,599 40
Agents' balance written off previous year, recovered	48 35
Capital stock	20,000 00
	812,939 31
	\$2,665,312 93

Disbursements.

Expenses (salaries and commissions, agents, doctors, solicitors, etc.)	\$108,429 40
Re-insurance premiums	5,369 32
Annuities	2,792 30
Commission on loans	1,590 70
Rents	1,893 91
Taxes	2,216 08
do. to Quebec Government	4,410 00
Insurance superintendence	317 38
To policy-holders—	
For death claims	\$101,854 02
Interest on	1,731 38
Endowment claims	5,433 96
Surrendered policies	20,308 00
Dividends	268,412 08
Temporary reductions	28,639 30
	429,478 74
Profits to stockholders applied to pay up stock	20,000 00
Dividend to stockholders and civic tax	9,750 84
Balance to new account	2,079,065 16
	\$2,665,312 93

BALANCE SHEET.

Assets.

Mortgages	\$1,442,379 35
Debentures	170,386 22
Real estate	174,588 12
Loans on stocks and debentures	154,305 71
Government stock and deposit	4,703 70
Loans on company's policies	87,969 39
Fire premiums due from mortgagors	1,128 03
Furniture	2,575 10
Loans to agents and employees on security of salary or commissions	1,162 31
Advances to travelling agents	735 00
Agents' balances	97 74
Sundry current accounts	123 49
Cash in banks	39,374 63
Head office	546 02
	\$2,080,074 99
Less liabilities (current acc'ts.)	1,009 83
	\$2,097,065 16

Premiums in course of collection (reserve thereon included in liabilities). Of this the sum of \$36,634.19 is covered by short date notes	88,216 09
Quarterly and half-yearly premiums on existing policies, due subsequent to December 31st, 1887 (reserve thereon included in liabilities)	23,478 49
Interest due and accrued	56,519 94
Rents due and accrued	1,231 42
Difference between par and market value of debentures	13,854 80

Total assets.....\$2,262,365 90

Audited,

JOHN LANGTON,
JOHN M. MARTIN.

Toronto, 19th March, 1888.

Liabilities.

Assurance fund	\$1,825,755 00
Annuity fund	20,015 00
Lapsed policies, liable to be surrendered or reinstated	3,150 00
For temporary reductions to premiums	135,000 00
Losses by death, accrued, net	29,566 25
Premiums paid in advance	469 65
Fees—doctors, directors, auditors	7,477 50
Rent	350 00
Held to cover cost of collecting premiums outstanding and deferred, on Dec'r 31st, 1887	11,169 46
Capital stock paid up	100,000 00
Surplus	129,413 04
	\$2,262,365 90
Surplus above all liabilities	\$ 129,413 04
Capital stock paid up as above	100,000 00
Capital stock subscribed, not called in	900,000 00
Total surplus security for policy-holders	\$1,129,413 04
	J. K. MACDONALD, Managing Director.