

gratifying to that gentleman that the appointment as manager came to him unsought, and it may well be taken as a recognition of meritorious work performed and of a fitness easily discoverable by those qualified to judge. In this case we are confident that the expectations of the company's general manager and directors will be realized. We wish Mr. Thompson success.

THE IRON HALL, AND ITS IMITATORS.

A correspondent at St. John, N.B., writes us making some inquiries concerning the assessment endowment order known as the "Iron Hall," one of the oldest of these orders, promising an endowment of \$1,000 in seven years. The immediate occasion for this inquiry is that the "Order of Unity," a Massachusetts concern also of the seven year variety, for some time past humbugging the people of the Lower Provinces, largely justifies its absurd promises by the alleged experience of the "Iron Hall," which has paid not a few of its endowments at maturity. We thoroughly exposed the inability of the "Order of Unity" to perform its promises in the CHRONICLE of January 15, 1890, about the time of its advent in Canada, and have since from time to time given it attention. We have during the past few weeks chronicled the flat failure of numerous of these endowment orders, thirteen of which were in Massachusetts alone, where in some cases the managers have been prosecuted in the courts for fraud. These failures furnish such convincing proof of the rottenness of all these concerns—for they are all substantially alike in principle—that the people's eyes are opened to their true character where they are best known in Massachusetts, the hot-bed of the system, and their days are numbered. So far as the "Iron Hall" and other six and seven year orders are concerned, they will obviously last a little longer than the one two and three year orders, for the simple reason that they have a longer rope. It has an end, however, and it is already in sight. We cannot do better than to here reproduce what Insurance Commissioner Merrill of Massachusetts said of the "Iron Hall" in his official report for 1890. Here it is:—

In this connection it is interesting to recall some of the predictions made as to the pioneer of these corporations—the Iron Hall—when it was seeking, three years ago, legislation to legalize its existence in Massachusetts. In reply to statistics of the insurance commissioner demonstrating the absurdity of its pretensions, that corporation presented to the Legislature an elaborate computation showing its anticipated increase of membership, lapses and payments through a series of years. A comparison of these predictions with the actual results, as shown by its reports, demonstrates that it is safer to prophesy after you know: In this printed statement the increase in membership during 1890 is estimated at 24,781; it actually was but 8,041. The total membership at the close of the same year was estimated, deducting lapses, at 74,343; it actually was but 53,906. The terminations by lapse during 1890 were estimated at 8,260; the actual number was 2,897. And as an illustration of how little the officers of this corporation know as to the actual condition of its affairs, the number of maturing certificates during 1890, the simplest matter of bookkeeping, is in this pamphlet stated to be 794, when the report to this department shows the number actually paid to have been 898, an excess in payments of \$104,000, less advances made on account of sickness, and this, like all of the discrepancies, against the corporation. The number of assessments necessary to be made in 1890 to successfully carry out the scheme was stated in this official pronouncement to be twelve; in fact the corporation did levy eighteen, just fifty per cent. increase in cost over its own prophetic exposition of "The Problem Solved." These figures,

from its own official reports, are the best possible confirmation of the declaration three years ago and since of this department, that the scheme of the Iron Hall, as presented, was morally wrong and mathematically impossible.

This clear statement points out the wide difference between promises and estimates and actual facts among the best of these concerns. As is well known, their managers confuse and abuse the uninformed masses by juggling with figures, to show that it is because of such a large number of *lapses*—those going out leaving their money for the benefit of those staying in—that they will be able to perform their wonderful promises. To say nothing of the injustice of such a scheme of wholesale confiscation, this pretentious bubble is effectually pricked by the statement of the Massachusetts insurance commissioner, that a fair average of the lapses in the long term orders, *i. e.*, those of five years and over, was only 6.4 per cent. in 1890. On the theory that from \$300 to \$350 will be paid in during the seven years by each continuing member, out of which must come all expenses, any schoolboy ought to be able to see the mathematical impossibility of paying legitimately \$1,000, even though twice 6.4 per cent. of the members were to drop out, and even though every dollar not used for current claims and expenses were kept invested at six per cent. compound interest. But the "Iron Hall" has paid many endowments at the time promised. Certainly, but how? By simply robbing Peter to pay Paul. So long as new dupes can be found to pour money into the hopper, the grists of those who are far enough ahead of them can be ground out of course. But when no new members can be gathered in, leaving those already in limited strictly to the earning capacity of their own contributions, how are they to get \$1,000 out of \$300 in seven years? The principal getting which they will experience, after expenses are paid, is clearly to get left.

THE TRAVELERS INSURANCE COMPANY.

The annual statement of the Travelers' Insurance Company for 1891, which elsewhere we lay before our readers, will be recognized as a good one, though the public have learned during twenty-eight years of acquaintance with the company to look for just this kind of an exhibit. The total assets show an increase during the year of \$1,368,645, making a total of \$13,368,645 as a solid guarantee for the discharge of all its obligations. After providing a reserve to meet all liabilities under existing policies, accident and life, of \$10,921,454, and \$202,092 for current obligations, a surplus as regards policyholders remains of \$2,489,566—a gain over the previous year of \$408,822. The popularity of the Travelers is shown by the amount of new insurance issued during the year, amounting in the life department to \$15,925,929, while in the accident department it has issued almost a hundred thousand policies—96,126. In both departments the company has paid since organization almost \$21,000,000 to policyholders for losses, \$1,720,994 of which were paid in 1891.

Year by year this company has steadily enlarged its field of operations, until it is familiarly known everywhere and as confidently trusted. This trust is found-