

THE ROYAL ARCANUM AND INCREASED RATES.

To the Editor of The Monetary Times:—

Sir,—I have read with general impatience the correspondence on this subject, especially that which has had for its object a protest against the exorbitant demands made by the officials of this society—not only upon the purses of the members, but also upon their credulity, for nothing yet written is to my mind nearly strong enough for such a gross act of injustice. It really looks as if (I give it its due) the cleverly planned attempt to evade liability was to be taken by the members "sitting down."

Reluctantly, therefore, I feel bound to enter my strongest denunciation of this dodge, and would ask you to allow me to cite my own case, doubtless typical of many others, as an example of its cruel injustice.

I joined the society in January, 1895, at the age of 55, and for the first three years paid 16 assessments of four dollars each annually. Owing to the increased demands occasioned by the war this was, in 1898, altered to 12 assessments of seven dollars each, an increase of twenty dollars per annum. If the squabble with Spain necessitated a call upon policy-holders of over 30 per cent. one may reasonably ask what would be the increase in case of a repetition of the terrible Civil War, or if the States were drawn into such a frightful international war as that now raging. Contemplation of such a position of affairs makes one gasp with awe at the splendid opportunity afforded the present brilliant officials to prove their financial capabilities. The present demand amounts, in any case, to \$16.08 per month, or an increase of from \$84 to over \$190 per annum, the ostensible reason given being the great increase in the death rate. Readers of the official Bulletin must have remarked with grave dissatisfaction the extraordinary number of deaths of policy-holders of a few months' standing from that terrible scourge, consumption, and this if continued would of itself ruin any society; but surely this is a disease of no sudden growth, and one that is easily traceable. What, then is the value of the medical examination? A doctor who pockets his fee and yet deliberately allows the funds of the society to be so violently drawn upon may almost be classed in the same category as the dishonest insurer. This, however, is but a side issue, and one easily adjusted; the actual reason for the increased rates must be looked for elsewhere. Is it not an attempt to drive out the older members of the association altogether, and thus get rid of the prospective liabilities? Evidently the executive of the order are aware that the profits of the fraternal insurance business are derived, not from the policies which mature, but from those which lapse, and it is as plain as Mount Royal that this is nothing more or less than an attempt to grab a huge haul from this source.

The suggested new rates are, we are informed, advised by certain actuaries as being necessary to place the association upon a sound financial basis. This was exactly what they said in 1898, and it would seem that these gentlemen have displayed about the same amount of intelligence as their medical confreres, and are assisting, willingly or not, in what amounts in the end to a gigantic fraud.

I have paid nearly nine hundred dollars into this benevolent society, but I am not lunatic enough to shut my eyes any longer to this pleasant little arrangement. It works very prettily; something like this. I pay (under protest) the advanced rates in order to save what I have already sunk; in another five years they say: "Why! here's this fellow still paying; he's now 70 years old, and cannot be considered a good life much longer; let's fire him." So they get another actuary to advise them that the present (advanced) rates are unsound, and are sorry to have to ask for another increase of 100 per cent. "What! you're too old, and cannot afford such a rate! Well, look here, we'll reduce your policy from three thousand to one thousand, and you need only pay the same annual amount." What mercy! What charity! What virtue!

My object in addressing you is two-fold; first to advise my fellow members to follow my example and take their business to a straight office, and secondly to warn those who are considering the vitally important question of life insur-

ance, a duty devolving upon every young fellow, to do likewise, and if their minds have turned to this beneficent fraternal (sic) body to change them at once.

G. A.

Montreal, July 13, 1905.

TRANSPORTATION MATTERS IN ST. JOHN.

The outlook is not good for the erection of a new deep water wharf before the coming winter. The government has placed \$100,000 in the estimates for dredging and will have to spend nearly as much more, but no call has yet been issued for tenders. After the dredging is completed the city will build the wharf and warehouse. All this means time so it is doubtful if the work can be finished this season. The Government engineers are now figuring on plans and the call for tenders is daily expected. It may be difficult to secure in Canada a dredge suitable for the work, but it is believed some American firms will tender and that the Government will give permission for the free entry of their plant if they secure the contract.

The city expects a visit from the Government Transportation Commission. This important board was there when the late Mr. Bertram was chairman, but in view of the changes that have taken place in the harbor plans this second visit was deemed advisable. The members will be given every opportunity to look into local conditions and the members of the City Council and Board of Trade will endeavor to press on them the necessity of St. John harbor being thoroughly equipped to handle the Canadian winter trade, and so prevent it from going to the old world through foreign ports.

THE CALEDONIAN INSURANCE COMPANY.

More than usual interest attaches to the annual report of the Caledonian Insurance Company, which appears in another column, on account of the fact that it is the one hundredth which has been issued by that solid concern—the oldest Scottish fire office in existence. The net premiums received last year were \$2,096,195, indicating the gratifying increase of \$226,315. The amount carried to profit and loss account was \$223,905, and the addition to reserve for unexpired risks, calculated on a basis of 44 per cent. on new premiums, \$99,580. Out of the total profit and loss account a dividend has been declared of \$5 per share, besides a bonus of \$1 per share. Summarized, the funds of this well-conducted company are as follows: Capital paid up, \$537,500; fire insurance funds, \$2,272,325; balance profit and loss account, \$462,640; life and annuity fund, \$11,197,525, or a total (on December 31st last) of \$14,469,990.

LIFE AND FIRE INSURANCE ITEMS.

The "Bulletin Life Table," for 1905, the receipt of which we hereby acknowledge with thanks, shows in convenient handy form the business financial standing of the life insurance companies operating in this country in the year 1904 as shown by the returns to Government.

There has been a steady increase for many years past in the favor with which accident insurance is regarded in Switzerland. In 1886 the premiums paid amounted to 1,438,551 francs, in 1896 to 7,231,561 francs, and in 1903 to 12,005,787. In fact all forms of insurance seem in that country to be making great progress.

Mr. John T. Stone, President of the Maryland Casualty Company, accompanied by Mrs. Stone, arrived in Toronto after an extensive trip through the western territory, visiting agents. They left Toronto almost immediately to be present at the annual convention of the International Association of Accident Underwriters at Muskoka.

The Accident Bulletin of the Interstate Commerce Commission of the United States, just issued, shows that during the first three months of the present year there were 28 pas-

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