

that the funds are well invested, and "more than ample to meet all liabilities." At this point a little amplitude may be permitted. The premium rates of this Order are known to be low, therefore a "lay by" of 35 per cent. is of more than ordinary meaning. Some idea of the magnitude of the Society may be formed from the fact that in the five years the premiums have amounted to £1,039,792; the interest receipts to nearly £50,000; and the sickness contributions to £124,167. At the end of 1897 there were in force 154,865 policies, insuring capital sums and sickness allowances to the extent of £32,166,137. Of these, 3,890 policies were in the British section, carrying assurances little short of a million sterling, and yielding annual premiums of £12,104.

With so excellent a showing on the valuation made by so eminent an authority in life assurance matters as Mr. Rea, there can only be anticipated a large accession of members to a society whose soundness has been so amply demonstrated by a rigid investigation. The Independent Order of Foresters, both here and in Canada, is efficiently organized and officered, so that it will be able to deal with facility with the increase of business that may be expected. The Supreme Chief Ranger is Dr. Oronchatekha, J.P., of Toronto, who studied Medicine at Oxford University, under Sir Henry Acland, the Regius Professor. The chief office for the United Kingdom is at No. 24 Charing Cross, London, S.W., and the management here is under the control of Mr. James Marshall, the General Manager for Great Britain and Ireland.

(*The Insurance Guardian, July 1st, 1899.*)

In once more taking notice of the Independent Order of Foresters, we are prepared for the usual gush of pity and contempt on the part of the wise men who conduct some of our insurance papers, and who would have us believe that what they do not know about the soundness of an office is not worth knowing at all.

But we have before us the report of the actuary, Mr. C. H. E. Rea, who, it is no detriment to our contemporaries to assert, is quite as reliable an authority as any of them as to the position of an office. At any rate, we shall accept his judgment rather than any of theirs. In his report to the Supreme Council in Canada, he points out that the Independent Order is a fraternal benefit association established on the assessment system. The premiums cover the assurance for the year of issue, and are renewable at the same rates. Up to the 70th year there is power to increase the premiums should they be found inadequate. So that a condition of insolvency is practically impossible. The risks are "term risks" up to the age of 70, when the contributions cease, and the amounts become payable.

Under these circumstances, there is a large liability as compared with the existing fund. But this has not the same significance as it would have in an ordinary life company. The Society has enjoyed a very low rate of mortality, and premiums cannot be taxed more than 5 per cent. for expenses of every description. The "lay by" is about 35 per cent. of the premium income. Mr. Rea suggests that the sick and funeral contracts of the Society should be investigated, to enable them to determine whether the existing charges are or are not adequate. The funds appear to Mr. Rea to be well invested, and

"more than ample to meet all liabilities." Under the balance sheet, published in the return before us, we learn that the net liability of the life assurance fund is £491,259, which there is enough to meet, and a balance to credit of future premiums ("term risks") of £27,465—a very respectable balance indeed, especially considering the lowness of the premiums. The Mortuary Benefit Fund at the beginning of the year was £494,435, and at its close amounted to £617,161.

Such being the case, we take leave once more to congratulate the Order on its position and prospects, and to condole with such of our contemporaries as have so confidently and so long predicted an untimely end long ere this to its existence.

(*The Civil Service Gazette, July 8th, 1899.*)

Not improbably requiring to be somewhat more widely known to be better appreciated is the Independent Order of Foresters (incorporated by special Act of Parliament), which has its home office at Toronto, Canada, and its chief office for the United Kingdom at 24 Charing Cross, Whitehall, London, S.W., and which has for its general manager for Great Britain and Ireland Mr. James Marshall, S.D.S.C.R. We have now before us a copy of the valuation report and actuarial remarks thereon, and also a copy of the last balance sheet, which form exceedingly interesting reading, the report being an investigation into the affairs of the Order by the well-known actuary, Mr. C. H. E. Rea, the investigation being as at December 31, 1897.

The exacting nature of the medical examinations required by the executive board, and the mutual fraternal interests involved, have no doubt been jointly effective on the side of selection, and evidenced in the low rate of mortality experience. Very important is it to keep in view the fact as is very pertinently pointed out, that it is undoubtedly a very distinct and favorable feature in the transactions of the Society, that the entire expenses in connection with the introduction and establishment of the business are paid in full by the members at the outset, and further that, under the existing laws and constitution, premium contributions cannot at any time be taxed beyond 5 per cent. for all management expenses, commissions and costs whatsoever—any excess that may arise being chargeable against a trading and independent account of the Order under full control of the executive. This restriction of the percentage from premium income for management expenses brings to light the fact that there is a marked saving to the policyholders in this Society, and that the somewhat heavy burden of expenses common to ordinary insurance companies is not apparent in the I. O. F. The actuary goes on to mention that he finds the rate of "lay-by," as compared with the premium income is about 35 per cent., this appearing to him to be a very satisfactory and particularly significant circumstance in their case, notwithstanding the slight tendency to decrease corresponding with a natural increase in the claim rate. After some further observations, Mr. Rea remarks that on looking carefully at the scales of contributions charged in the prospectus of the Order for Mortality Benefits at the date of valuation, he finds they are practically term rates sufficient in themselves to cover the risk for at least the first ten years of assurance on the younger lives, and for a more extended period at the older ages. A further very important paragraph in this exceedingly able and interesting statement men-