

B. Lee, and Wm. Gibson, M. P., as Directors.

At a subsequent meeting of the Directors, Mr. John Stuart was re-elected President, and Mr. A. G. Ramsay Vice-President.

#### FINANCIAL NOTES.

Maple Creek school debentures to the amount of \$1,000, at 6 per cent, are offered by tender.

The Bank of Hamilton opened their new branch at Brandon on July 1. A branch will be opened at Hamiota, Man., on August 1.

It is reported that the Imperial Bank will open a branch at some point in East Kootenay, probably Wardner or Fort Steele.

Letters patent have been issued incorporating Hon. Thomas Greenway, Hon. J. D. Cameron, H. H. Beck, G. A. Simpson, of Winnipeg, and Thomas L. Morton, of Gladstone, under the name of the Land and Investment company. The capital stock is placed at half a million dollars.



#### THE ONTARIO MUTUAL.

The annual report of the Ontario Mutual Life Assurance company shows that the last year has been the most successful in the history of the company. The income for the year was \$820,900; total insurance in force Dec. 31, 1897, \$21,487,000; new business written and accepted in 1897, \$3,070,900. The large amount of \$73,676 was paid to policy holders in profits during the year. The available divisible surplus to policy holders on the 4 per cent standard is \$231,417. This is exclusive of \$57,087 being value of bonds and stocks over cost, and not included in assets, which would increase the surplus to that extent.

P. D. McKinnon, of Winnipeg, western manager for the company, reports that the business of the company has been very satisfactory within his territory during the year. Casper Kille, of Winnipeg, is the general agent, and S. J. Drake, cashier.

#### ONTARIO MUTUAL LIFE.

The 28th annual meeting of the Ontario Mutual Life Assurance Company was held in the Town Hall, Waterloo, Ontario, on Thursday, May 20, 1898. The attendance, though not large, was representative, and much enthusiasm prevailed.

The President, Mr. Robert Melvin, Guelph, occupied the chair, and on the platform the following directors were seated: Messrs. Taylor, Hoskin, Bruce, Britton, Fiskin, Clement, Kidd, Somerville and Fair.

On motion of Mr. P. Clement, seconded by Mr. Geo. A. Somerville, Mr. W. H. Riddell, secretary of the company, acted as secretary of the meeting. The minutes of the last annual meeting were formally taken as read and adopted.

The president then called upon the secretary to read the

#### DIRECTORS' REPORT.

Your directors respectfully submit the following as their report for the year ending December 31, 1897:

Since we last met you, it has been our misfortune to lose by death the ser-

vices of our president, the late I. E. Bowman, who was one of the founders of the company, its first and only president up to the time of his death. Eulogy of him is not necessary, as he long held positions of honor and trust, and deservedly commanded the universal respect of all who knew him for sterling honesty and integrity, for his fairness in all his dealings with his fellowmen, and for his devotion to duty. He will be missed at the board, over whose deliberations he so ably and so long presided. Mr. Hendry was appointed director in his place.

We are pleased to inform you that the business of the past year has been of the most gratifying character in every respect, and that we still continue our liberal scale of distribution of surplus to our policy-holders, notwithstanding the great lowering of the rate of interest, and consequently lessened earning power of money.

The number and amount of policies issued during the year was 2,020 amounting to .....	\$ 3,070,900.00
Number of applications declined, 90, amounting to .....	122,500.00
Not premium income .....	644,107.05
Interest on investments .....	175,873.25
Total income .....	319,980.30
Total assets .....	3,741,405.01
Total amount of insurance in force .....	21,487,181.38
Reserve to meet liabilities on insurance in force according to government requirement, H. M. 4-1-2 p. c. ....	3,327,789.46
According to our standard, Actuaries' 4 p. c. ....	3,480,372.41
Amount paid for death claims .....	126,425.00
Endowment .....	49,086.00
Purchased policies .....	97,784.29
Annuities .....	780.17
Surplus .....	73,676.29
Total amount paid to policy-holders .....	347,751.75
Mortality for 1897 .....	135,633.00
Surplus earned .....	91,303.39
Surplus over all liabilities, our Standard, Actuaries' 4 p. c. ....	231,417.05
Government standard, H. M. 4-1-2 p. c. ....	300,000.00

The demand for money was not active during the year, but the funds of the company have been fully invested, but at a little lower rate of interest.

The interest on our investments has been well met, and the amount of overdue and accrued interest is much less than for many years.

The collapse of several of the larger assessment companies and a feeling of uncertainty towards some others have had the effect of directing the attention of many of the better class of assured to companies whose business is based on level premiums and ample reserves. With other old line companies we have been benefitted by increased business, and hope to benefit to a much larger extent in the near future.

Financial statements prepared and certified to by your auditors are herewith submitted for your consideration, also certificates of executive committee on mortgages and other securities of the company.

You will be called upon to elect four directors in the place of B. M. Britton, Q. O. Geo. A. Somerville, F. O. Bruce and J. Kerr Fiskin, all of whom are eligible for re-election.

On behalf of the Board,  
R. Melvin, President.

Waterloo, May 20, 1898.

#### THE PRESIDENT'S ADDRESS.

In moving the adoption of the report the president said: I am sure you will, with me, deeply regret the death of our late president. As was expressed in the address to his family, the board feel that, as individuals, they have lost a valued friend and wise counsellor, and we know that with us you highly appreciated his sterling honesty and integrity, and the faithfulness with which he discharged the duties of president for so many years.

The business of the past year has been in every way of the most satisfac-

tory character; indeed it has been one of the best years, if not the best, in the history of the company, both with regard to the amount of business done and the character and quality of that business, enabling us to distribute to the policy-holders the large sum of \$73,676.29, an increase of nearly \$2,000 over the previous year, and considerably over double the amount paid in 1887, \$34,849. You will see by the report that the net result of the year's business with regard to new business taken and business revived, we have added to the amount of insurance in force in December, 1896, the sum of \$1,485,719. It might be interesting to see how we compare with other companies in the amount and quality of our business. We accepted assurance for \$3,070,900 and added to our previous amount \$1,485,719. The Canada Life reported accepted assurances for \$4,942,081 and added \$1,971,988.08; Confederation, \$3,080,472 and added \$771,582; North American Life \$3,431,524, and added \$1,451,708; and the Sun (Canadian business) \$4,317,292, and added \$1,261,172.

The fifteen Canadian companies added to their insurance in force December, 1896, \$13,623,969, of which sum the Ontario contributed over 10 per cent. The whole business added in Canada in 1897 by Canadian, British and American companies was \$10,512,949, of which sum the American added (can companies doing business) \$2,444,684 and British companies (ten doing business) \$455,296. So that it will be apparent to you that we have more than held our own in the struggle for business in Canada, and that the Canadian companies are yearly absorbing more and more of the life assurance business of the Dominion, a result that must be gratifying to all Canadians.

Our income has kept pace with the increase of our business and shows an increase over last year's of \$59,577.06, and our total assets show an increase over last year's of \$336,497.32, amounting to \$3,741,405.01. Ten years ago they were \$1,098,448, an increase since 1887 of \$2,651,957. If we were to adopt the principle of many corporations or companies of adding to our assets the increased value of our debentures over the amount we paid for them, amounting to \$57,087, our assets and surplus would both be increased by that amount; but we have not in any case taken these securities in account at a larger sum than we paid for them.

Our reserve is on the Actuaries' Table, the highest assumed rate of mortality, and all our business, new and old, is on a 4 per cent basis, and has been for several years. Some of the companies still base their reserves on 4-1-2 per cent. H. M. for both old and new business: The Canada, at 4 per cent, on the American Table; Confederation, old business H. M. 4-1-2 per cent., new business H. M. 3-1-2 per cent.; Dominion 4-1-2 per cent. on old business, and 4 per cent on policies since July, 1896; Federal 4-1-2 per cent. H. M. on all its business; Great West 4 per cent. Actuaries' on all its policies; Manufacturers', H. M. 4-1-2 per cent. on old business and 4 per cent. on new business; North American old business 4-1-2 per cent. H. M., new business 4 per cent. H. M. since last year only; Temperance & General, H. M. 4-1-2 per cent. on old business, and 4 per cent, on new business, and the Sun now H. M. 4 per cent.

It may be that in the near future we may require a 3-1-2 or even a 3 per cent reserve, which some of the British companies have already adopted. For the new business of 1897 the reserve by the American Experience, 3-1-2 per cent. Table is \$46,043, while by our standard Actuaries' 4 per cent. it is \$44,415, being a difference of \$1,628. If, therefore, the liabilities were computed by the Actuaries' 4 per cent. Table for old business and the American Experience 3-1-2 per cent. for new business, the total amount would be increased by \$1,628 and our surplus correspondingly decreased. It would be an easy step, therefore, to assume the two standards of 4 per cent. for old and 3-1-2 per cent. for new business, thereby placing the