

fire-raisers as enemies to the public weal. The life and property of every man is menaced by the scoundrel who, to gratify malice or to "beat" an insurance company out of the amount of his policy, sets fire to buildings. People need to realize that everybody in a community suffers when valuable property goes up in smoke; and when they understand this they will no longer fold their hands and say: "The insurance companies can stand it—it is their business, we have nothing to do with it." Any good citizen should feel that he has an interest in seeing justice done. The hand of the incendiary is against every man.

### THE I. O. FORESTERS.

Dr. Oronhyatekha seems to be having a rather hard time of it, in defending himself and his favorite Independent Foresters from the charges now so frequently cropping up against the order and its head. On Saturday last nearly a whole page of the *Toronto World* newspaper was used in replying to his detractors. At twenty cents per line of that paper's finest type, this must have cost somebody about \$350, apart from the supply of extras mailed to the lodges. The Doctor makes extensive quotations from the statements of his critics, who seem to be people of his own forestry household, and generally speaking, gives a rough and ready answer without denying the truth of much of what is alleged. For instance, it is charged that the order is conducted too expensively by means of ring power, and that his salary has been increased by the supreme body most unduly of late years, and that this "Supreme" meets only once in two years, and next year convenes in London, England, where the order has been introduced only a few months ago. He replies that he does four times the work that the average Canadian president does; that more new members are obtained and more certificates carried than in most Canadian life companies; that his friends are increasing, and his salary is based on the size the order is to grow to; that some other people get as much income as he; that where \$1,000 goes for expenses in his order, \$95,000 would be spent by some of the regular companies, and that there is no ring power, because all the 22 High Courts elect members to the Supreme Court, and a great deal more of the same sort of generalization. When it comes to answering the accusation that the monthly rates are totally inadequate to provide the endowment benefits promised, he answers:

"We believe these rates will be sufficient for all time to come. The experience of the past 12 years confirms this position, for in that time we have paid in benefits over a million and a-half dollars, and accumulated a surplus of \$778,053. Our mortality rate is fully 40 per cent. under the standard mortality. If the rates we exact prove insufficient, our laws enable us to call, in future, for as much more as may be required."

What strikes us as peculiar is, that if those monthly rates are so sufficient as the Doctor asserts, he should have had to stumble on, all these twelve long years, without being able to find a single actuary to agree with him. His members have nothing but

his unsupported assertion of his mere belief, without a dollar of his own money put up to guarantee it, but on the contrary, he is drawing a large salary on the strength of that belief. Mr. L. G. Fouse, of Philadelphia, an actuary who is deemed the most favorably disposed of any toward assessment insurance, gives the following rates as "the lowest that can be charged with permanent safety," exclusive of dues or expenses. We give Dr. Oronhyatekha's in contrast, and the last column shows the deficiency;—

MONTHLY RATE PER \$1,000 CERTIFICATE.

Age.	Fouse.	I. O. F.	Shortage.
20.....	\$1.18	\$ .62	\$ .56
25.....	1.36	.67	.69
30.....	1.60	.72	.88
35.....	1.90	.78	1.12
40.....	2.28	.88	1.40
45.....	2.77	1.02	1.75
50.....	3.43	1.45	1.98
Total ....	\$14.52	\$6.14	\$8.38

Twelve times \$8.38 gives \$100.56 as the deficiency of assessment in each year, upon seven members carrying a benefit of \$1,000 each.

And now comes another correspondent of the *Toronto daily press*, signing himself "Actuary," who proves that while there is a large deficiency growing up on the ordinary assessments of the Foresters, as we have shown above, there is a still worse state of things in the "special endowment" department. In that department, instead of twelve payments per annum, there are fourteen. They are each the same in amount, as shown above. The \$1,000 is payable either at death, or a square endowment at expectancy, whichever event comes first. Thus, a person joining at age 38 has a 30 year endowment; joining at 45, a 25-year endowment; or joining at 49, a 22 year endowment, the expectation ending severally at age 68, age 70 and age 71. It is easy to compute that 14 payments of \$1.02—an extra one in January and July—will come to \$14.28 per annum, and it is not hard to discover that, keen as is the competition among regular companies, none of them will insure a man, aged 45, for a 25-year endowment at a lower level annual premium than \$37.06. This is "without profits," and is nearly three times what the Doctor "believes" to be sufficient. Previously to ten years ago, when higher rates of interest prevailed than now, one American company charged as low as \$35.70, but afterward felt it necessary, under actuarial advice, to raise its figures to \$37.06, as above. It was losing money at \$35.70. What then shall be said of the charlatan who pronounces \$14.28 sufficient? Many a man has lost his liberty for a much smaller amount of deception than the Supreme Chief Ranger of the Independent Order of Foresters is now engaged in palming off upon a confiding public, on so enormous a scale, on both sides of the Atlantic. Even supposing 4½ per cent. compound interest could be realized upon every dollar above what would have to be paid out in death losses during the 25 years; and even supposing no losses on investments occurred, and all expenses were provided from some other source, the Dominion Government 4½ per cent. tables show that \$38.88 a year would be necessary

to provide the \$1,000 at age 70. But the insignificant \$14.28 is liable to a deduction of at least five per cent. toward expenses, while the \$38.88 is net. The following table gives the figures for three different ages, and the annual deficiencies:

Age at entry.	I. O. F. per \$1,000.	Govt. Table.	Shortage.
38	\$11.76	\$25.45	\$13.69
45	14.28	33.88	19.55
49	18.90	40.72	21.82

On these three ages the endowments run 30, 25, and 22 years respectively. Therefore we add a statement showing those in the above table multiplied by those years, so as to show the totals for the three periods:

Area: entry.	Expec. table.	I. O. F. totals.	Govt. table.	Shortages.
38	30 yrs.	\$35230	\$76350	\$41,070
45	25 "	35700	84575	48875
49	22 "	41580	89594	48,014

From this it is plain that not only must (1) the rates for these special endowments be more than doubled immediately, for all future entrants to maintain solvency as to them, but (2) a provision for expenses must be made in addition, and (3) the present holders of these assessment endowments must submit to the same change in their future payments. But in addition to these two radical changes, a (4) heavy assessment must be levied upon, and paid in by, all the present members, to cover the deficiencies in their own past payments. Since the Doctor says the laws of his concern give power to make what assessments are needed, we take it he will immediately consult some actuary of acknowledged standing and find out, before it is too late, what assessments should be made to render the order solvent as to the business now on its books. During twelve years past people have been paying far too little, and some of these people have now gone where assessments cannot reach them. The shortage caused thereby has been thrown upon the present members; and every month, with its growing list of death losses, increases the deficiency to be shouldered by the living. To delay in applying the remedy, now that it has been pointed out, is to incur more losses, and pile up heavier assessments upon those who persist to the end of their endowment periods. Surely such conduct should be regarded as criminal, and we think that an action for damages would lie against the officers who permitted members to withdraw, by death or lapse, without at least having made an effort to collect from them their full share of the contributions which the Dominion Government tables show that each should have paid.

When a man aged 45 joins a regular life insurance company for a policy of \$1,000 payable at death or in 25 years, and pays \$37.06 per annum, the company will have received during the first 12 years, \$444.72 towards the loss of \$1,000 by his death then occurring. But during 12 years past, people who die this year, have contributed to the I. O. F. only \$171.86, thus throwing a net loss of \$272.86, and 12 years interest thereon, upon the living members. It is a question how long they will be willing to stand this sort of imposition, and how soon they will protest loudly enough to be heard at headquarters. If we were a member,