TABLE No. 2.

	NAME OF COMPANY.	NET PREM'M INCOME;	BENEFITS PAID.
47th year.	Mutual Life of N.Y........	$27,068,083	$10,370,223
45th year.	New York Life............	26,687,290	8,467,538
32nd year.	N. Western of Milwau'kee	8,922,775	2,592,788
31st year.	Equitable Life	29,352,508	9,068,680
	Totals....... .. .	$91,925,656	$30,506 224

Thus the net premium incomes of these four American Companies, for the year 1890, amounted to nearly ninety-two millions dollars and all that they were called upon to pay for death losses, matured endowments and annuities was a little over thirty million and a half dollars. If these companies therefore had charged only one half of their present rates they could have met all their obligations and still have had $15,456,604 left for management expenses, etc. The experience of scores of Old Line Companies are alike, showing that although they have been diligently collecting large sums for the "Reserve" from their policy holders, some for forty-seven years, yet not one of them have ever been called upon to draw a single dollar from such "reserve fund" chests to pay their losses. On the contrary, the figures demonstrate that even with half their present rates, they could pay all claims out of their current premium income, and still have a good surplus left over. These were some of the statistics which the Founders of the Independent Order of Foresters had before them when forming the Society, and I think they were fully justified in the conclusions at which they arrived, namely that the probabilities were that they would never require the "reserve" element, and therefore it would be unnecessary to "load" their premiums or assessments with this apparently unnecessary part.

They therefore determined to leave this part in the pockets of their members, reserving, however, to the Order the power to call it in, should it ever be required, as the following from the constitutions and laws of the Order clearly provides:

"Whenever there are no available funds to pay the Endowment or other benefits of the Order, the Executive Council shall order a special assessment which shall be paid by each member into his own Subordinate Court within thirty days from the date of the call, and the Subordinate Courts shall forthwith transmit the same to the Supreme Secretary."

The next matter that engaged the attention of the founders was as to the "loading for management expenses," and in this they also thought that the Order would have a great advantage over Insurance Companies. They thought that from year to year the Order would not only secure a much larger quantity of "new blood," which is so important a factor in keeping down the actual cost of risks below the "actuarial cost," but also that this "new blood" could be secured at a much less cost than could possibly be done by the old line Companies. That they were correct in their estimate is clearly shown in the next following table, which gives at a glance the per capita cost of securing new members for the year 1890:

TABLE NO. 3

NAME OF COMPANY.	NO. OF NEW INSURERS.	MANAGEM'NT EXP'S.	COST PER CAPITA.
Manufacturers Life....	1.650	$70 603	$ 42.78
Sun Life	3,195	161 731	50.60
Ontario Mutual	1,603	87,470	54.56
North American Life .	1,586	9,455	57.63
Confederation.......	1,791	138,374	77.26
Canada Life..........	1,932	283,674	146.82
I. O. F.	**12 461**	**34 181**	**2.74**

It might, however, be claimed that the Old Line Companies did a much larger business and distributed a great deal more in benefits and, therefore, their management expenses must of necessity be correspondingly larger. As a matter of fact, however, the I. O. F. secured more new members during the year than all the above named first-class Insurance Companies put together, and it is well known that a very large proportion of the Management Expenses is incurred on this particular account. Table No. 4 will show that, with the exception of the Canada Life, the I. O. F. paid out more in benefits than any of the other Companies. It will also show how much each Company expended in Management Expenses for each dollar of benefits paid:—

TABLE No. 4.

NAME OF COMPANY.		FOR MANAGEM'NT EXPENSES.	COST FOR EACH $ OF BENEFITS PAID.
Canada Life	$621,127	$283,674	$0.45
Ontario Mutual........	88,689	87,470	0.93
Confederation Life....	127,195	138,374	1.08
Sun Life.......... ...	122,609	161,730	1.31
Manufacturer's Life....	45,066	70,603	1.78
North American Life..	47,865	90,455	1.88
I. O. F.........	**186,294**	**34,181**	**0.18**

It is but due to the younger companies to say that, as a rule, as the Company gets older and stronger, the apparent cost of distributing the benefits becomes less and less. For instance, in the I. O. F. during the last year, though extraordinary expenses were incurred in opening up new territory, yet the eighteen cents in the above table has been reduced to fourteen cents, and we expect in the course of two or three years to have this reduced to only five or six cents.

Let us now direct attention very briefly to still other historical facts which may give us more evidence of the soundness of the foundations of the Independent Order of Foresters.

The report of the Registrar-General for Great Britain shows that the Manchester Unity of Oddfellows, when it was over half a century old, and without the careful medical selection of the I.C.F., had a mortality of only 12.6 during the five years ending with 1870, while the Ancient Order of Foresters for the five years ending with 1875 had only 12.1 per 1,000, with over 700,000 lives exposed. According to Sheppard Homans, the former Actuary of the New York Mutual Life, the average death rate of the members of that Company at all ages was less than 12 per 1,000. We are also told that the New York Life, now in its 46th year, has had a death rate of less than 11 per 1,000. As the table of rates of the I.O.F. provides for a mortality of nearly 13 in a thousand, it would appear that the "Reserve" element, which has been left in the pockets of our membership, will never be required, unless for some unknown cause our mortality experience should prove in the future to be much less favourable than others. So far we have every reason to be satisfied with our experience.

During the first ten years of the Mutual Life, it had an average mortality exceeding 7 per 1,000, while the New York Life had more than 9 per 1,000 during its first decade. The average mortality of the I.O.F. during the past ten years has been only 5.34 per thousand, and we have no reason to expect that it will compare any less favourably in this respect in the future with Old Line Companies.

I desire to submit just one more table showing