

THE CHAIRMAN regretted that he had to apologize for the absence of the honored President, who was confined to his house by illness, but would probably be able to resume his duties at an early day. He suggested that the report of the directors be taken as read (which was agreed to). As usual it was a good, clear, concise statement of the business of the year, and showed that the Company had continued to prosper. He would not take time to discuss it in detail, but would just point out that the increase in the cash income from premiums, interest and rents amounted to nearly \$180,000; that the growth in assets exceeded \$900,000, and in assurance in force \$4,700,000, the total now assured by the Company being almost exactly \$50,000,000, which was certainly an immense sum, and spoke volumes for the way in which the Company's affairs had been conducted. With regard to the assets of the Company he would say that they had been examined in the most thorough manner by a committee of the Board, and found to be exactly as set forth in the report. In closing he would like to draw attention to the fact that the increase in income, assets and assurances in force for 1898 was equal to a Company of the same size as the Sun Life of Canada itself in the year 1882, which was certainly good cause for gratification. Yet the Company had been during the past year much more concerned about securing a safe business than a large one, and the utmost attention has been devoted to this object. He had much pleasure in moving the adoption of the report.

MR. S. H. EWING, in seconding the motion, felt bound to say that, like the Chairman, he considered the report a very good one. The Vice-President had moreover simply voiced the feelings of the whole body of shareholders and policyholders in expressing deep regret at the enforced absence of the President through illness and the hope that he might soon be able to resume his place and work. An important item in the report, and a very gratifying one, was that after paying out nearly \$60,000 in cash profits to the policyholders there still remained a surplus of the very handsome amount of \$629,000 over all liabilities and capital stock according to the Dominion Government Standard. With regard to the growth of the business, it had been stated at the beginning of 1898 that the policy of the Company for the year would be rather to restrict than to foster it, but as the months went by it poured in at such a rate that it was evidently impossible to keep it down, and he must say this did not appear to make the President and Secretary particularly sad. (Laughter.)

MR. JAMES TASKER referred to the policy of the Company in regard to the erection of build-

ings in different cities of Canada as offices for the Company. This course was one that could not fail to commend itself to those directly interested. In Ottawa and Hamilton such buildings had been completed, and in Sherbrooke a third was in course of erection. These were not extravagant edifices, but sensible structures adapted to the locality, for which it was easy to find the best of tenants at remunerative rents. Thus not only are they worthy of the Company and of the cities in which they are located, both in solidity and attractiveness, but they are likely moreover to prove desirable investments, with the additional advantage of localizing the Company in these cities and giving it a claim upon their inhabitants almost equal to that which would be enjoyed by a local institution. He would also refer to the manner in which the Company writes down its investments and to the fact that a large contingency fund had thus been accumulated to provide for any losses which might occur in the future, to say nothing of writing off all losses which had already been actually ascertained. The pruning knife had been applied very freely on the accounts now before the meeting, and one result was that because of the elimination of some items of overdue interest accrued in previous years, chiefly on debentures for which provincial government bonds have since been received in exchange, the interest earnings of this year would appear to have dropped to about 4½ per cent., whereas in reality the rate was much higher than that, and the lowness of the figures was due solely to the very conservative course which the Company had taken with regard to its investments. He was sure that both stockholders and policyholders would agree with him that in thus writing down the assets to a very conservative basis, the directors were taking decidedly the wisest course, even though the interest rate for the time being might appear to suffer.

MR. J. R. DOUGALL said that, as the newest member of the Board, he had been struck with the evidence of the rapid growth of the Company, whereby the care and labor demanded by the investing of the accumulating funds were continually increasing. At the same time, however, owing to the introduction of improved methods in conducting the business, the work of the directors had been kept within bounds. He could not help being pleased at the spirit in which the directors viewed the responsibilities of their position. While other companies are being torn asunder over questions of control and management, and claims were being made that policyholders should receive greater representation, it was a pleasure to turn as a contrast to the satisfactory condition of affairs prevailing in the