

Life Insurance.

(Continued from page 650.)

"Canada Life, commencing business 1817; average death rate per 1,000 lives exposed, 1876-93, 9.18.

"Aetna, Life, commencing business in Canada, 1859; average death rate per 1,000 lives exposed in Canada, 1876-93, 8.82."

Since the establishment of the New York Insurance Department all life insurance companies doing business in the State of New York have been compelled to send in a report to the department each year which must be subscribed and sworn to; the statement so made must show, among other things, the total amount expended in the payment of death losses and the total insurance in force. The following table, compiled from the official reports of the Insurance Department of the State of New York shows the average amount required for death losses by the companies named from 1839 to 1893 inclusive.

Average death rate to each \$1,000 insurance in force, covering a period of 86 years, 1839-1893.:

Name of Co'y.	Commenced business.	Death rate per \$1,000
Berkshire Life.....	1851	\$10.52
Equitable, N.Y.	1859	11.27
Mutual Life, N.Y....	1818	11.74
Mass. Mutual.....	1851	10.63
New York Life.....	1815	10.48
Northwestern.....	1858	9.69

The following table shows the death rate to each \$1,000 of insurance in force of the New York Life and of the Mutual Reserve Fund Life Association for the five years ending 31st of December, 1891:

Years.	New York Life.	Mutual Reserve.
1890.....	10.8	10.9
1891.....	9.8	11.1
1892.....	11.5	11.8
1893.....	10.8	11.2
1894.....	10.1	10.4

All experience shows that the death rate of a well managed and progressive life insurance company, after the first few years of its existence, fluctuates between narrow limits, and does not necessarily increase with the advancing years of its history, a fact which is proved by the experience of the oldest and largest life insurance companies in the world, such, for example as the New York Life, the death rate of which was \$3 per \$1,000 insurance in force higher in the tenth year of its existence than it has been in any year for the last thirty-six years. The death rate of the State Mutual of Massachusetts was nearly \$3.50 per \$1,000 higher in its tenth year than it has been in any one of the past twenty-six years. The record of the Northwestern Mutual of Milwaukee, Wis., shows that its death rate has exceeded \$12 to each \$1,000 insurance in force in two years only, namely, the 18th and 20th years of its existence, and in only two of the last thirteen years has it exceeded \$10 to each \$1,000 of insurance in force. The above evidence, together with the facts given in the tables, should convince any intelligent man that the statement that life insurance can be furnished at about one half the rates charged by old system companies is absolutely true.

ON THE AGGRESSIVE.

Having submitted proof that the statement made by me, namely, that the death rate of a well-managed and progressive life insurance company, one year with another, will average about \$12 to each \$1,000 of insurance furnished, it now remains to show why old system life insurance is so expensive. The official reports of the various insurance departments show that the average old line American company expends \$12 in management for each \$1,000 of insurance in force,

and even the very largest and best companies expend \$2 in management to each \$1,000 of insurance in force for every \$1 so expended by the Mutual Reserve Fund Life Association. In the year 1893, sixteen different old system companies expended more in management than in the payment of death losses, the aggregate being as follows:

Total amount expended in management.....	\$3,055,439
Total losses incurred.....	2,061,774
Expenses in excess of losses.....	\$91,665

From the evidence given by A. G. Ramsay before a commission of the Canadian Parliament at the instance of the late Hon. Donald McDonald, it appeared that the total stock paid in cash by the stockholders of the Canada Life was \$1,000, \$2,000 being paid in 1817 and the other \$2,000 in 1818, the balance of the \$125,000 of paid up stock which the Canada Life now has, that is \$121,000, was contributed by the policy holders and on which the stockholders annually receive dividends. The total stock paid up in cash by the stockholders of the Confederation Life was \$50,000, the other \$50,000 was contributed by the policy holders, making \$100,000 of paid up stock which the Confederation Life now has. From the official reports of the insurance department of Canada covering the 18 years ending with December 31st, 1893, it appears that the stock holders of the Canada Life have received on the \$1,000 of stock originally paid up by them, the enormous sum of \$507,916, in other words, the original sum has been returned to them more than one hundred times within the short period of 18 years. During the same 18 years, the stock holders of the Confederation Life have received \$205,882 in dividends. The dividend paid each year is equal to 30 per cent of the \$50,000 stock paid in cash by the stockholders.

The Aetna Life insurance Company of Hartford, Conn., started with a paid up capital of \$150,000 which has been increased from year to year by surplus contributed by the policy holders until it now amounts to \$1,500,000, the \$1,850,000 having been contributed by the insured and on which the stockholders are annually receiving dividends. The annual dividend paid to the stockholders of the Aetna Life being \$125,000.

If either the Post Magazine or The Commercial will explain how old system companies can expend such enormous sums in management and in the payment of dividends to stockholders on any other grounds than that the money with which to make the payments is contributed by the insured, it will materially increase the confidence of the public in the ability and genius of their editors.

J. THOMSON PATERSON,

Author of "The Fundamental Principles of Life Insurance."

The Consumers' Cordage Co.

It is reported from Montreal that there is trouble among the shareholders of the Consumers' Cordage Company, and charges of irregularities are said to have been made against some of the officers of the Company. No dividend was declared for the past year, and a shortage for the year is said to be apparent. The managing director, E. M. Fulton, is alleged to have overdrawn his account to the extent of \$170,000. Losses of over \$200,000 are said to have been made last year. A. W. Morris, E. M. Fulton and C. B. Morris have retired from the management. The following board has been elected: J. T. Stairs, Halifax; W. Whitlock, New York; Geo. Stairs, Halifax; E. M. Fulton, sr., New York; R. D. McGibbon, H. Rutherford and J. Crathern, Montreal. After a good deal of discussion Messrs. Crathern, Davidson and Wilson were appointed a committee to make a full and complete investigation of the Company's affairs.

The Cradle Churn.

While the attention of farmers is being more and more called to the profits and advantages of butter making, inventors and manufacturers are devoting their energies towards supplying improved machinery and utensils necessary to reduce the labor to the least possible point. One of the most important articles is the churn, and in the interest of the farmers of this country attention is called to the "Cradle" churn which is now being offered through the trade by Chas. Boeckh & Sons manufacturers of woodenware, etc., Toronto. To see the churn in operation is a revelation, as by a most easy and simple movement the cream is put into motion which would remind one of a miniature Niagara. Butter is produced in the shortest possible time, and the cover being loose, allows a free circulation of the air to go through while in operation. The churn is claimed to be perfect in every way, is easy to operate, easy to clean, and has nothing about it which can possibly get out of order. It has been awarded first prize over all competitors at the Toronto Industrial Fair. This firm also manufactures a large variety of butter ware, such as moulds, prints, spades, ladles, bowls, etc., and a most ingenious novelty is their Jersey Butter Mould. This mould is now being universally adopted as it makes the square shaped blocks which are found to be so neat and convenient for packing and shipping, and being adjusted the exact weight required can be arrived at. Every hardware dealer will find it to his advantage to handle these goods, as the aim of the manufacturers is to keep them in the hands of the trade instead of being sold through peddlers or agents.

Canada's exports of cheese reached high water mark last year, amounting to 15,398,480 pounds, valued at \$1,548,991, being 2,000,000 pounds in excess of any previous year.

FARM FOR SALE.

Farm in the Winnipeg district for sale on very easy terms, or will exchange for live stock or city or suburban property; also a farm to rent. Apply to D. W. Buchanan, Commercial Office, Winnipeg.

ROLLER MILL FOR SALE

The executors of the estate of, J. F. Ferguson, Melita, invite tenders for the purchase of the interest of the estate in the above mill, which is estimated at about \$5,500. The mill is situated in Melita, and has a capacity of 100 barrels in 24 hours; is first class in every respect and has been in operation 15 months. It is in the centre of a large district furnishing good local trade; it is also well situated for merchant trade. For a man with some capital this is an excellent opportunity to acquire an interest in a good business property. For further particulars as to terms, etc., apply to R. M. White, grain exchange, Winnipeg, or to J. L. Campbell, Melita.

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