

ample in each case, with adequate, in fact, abundant margin on the loans. The valuation of the company's real estate in New York, Brooklyn, Boston and Philadelphia has been placed by the committee's appraisers at \$1,648,999.33 in excess of the company's net book value.

It has been generally known for some time that the investments of the Mutual Life of New York are of an exceptionally high class, and the Truesdale Committee in its report is able to certify to the fact. The committee is most favorably impressed with the methods of the Treasurer's Department in caring for the securities of the company.

The great financial strength of the Mutual Life of New York is made plain in this report, which will inspire fresh confidence in "the grand old Mutual," as it is called among the insurance fraternity.

THE RAILWAY PASSENGERS

Among the strong and time-tried British insurance companies transacting business in this country, the Railway Passengers Assurance Co. occupies a prominent position. It enjoys the distinction of being the pioneer accident company of the world, and its annual statement for 1905 makes plain that it continues to hold its place in the front rank.

In 1905 the company's gross premium income was £323,815 13s. 7d., as against £307,771 0s. 3d. in 1904. For compensation the amount paid was £172,608, and the expenses of management, including commissions to agents, were £87,093. The sum of £3,000 was placed to investment reserve fund and £4,000 to premises renewal fund, and the usual interim dividend of £15,000 was also provided for. The net result of the year's operations was to increase the existing balance of £152,887 to £195,866, a gain of £42,979, to which amount the interest earnings contributed about £16,602. The underwriting surplus shown is £26,377 plus £22,000 divided or placed to reserves, making £48,377 in all. Allowing for the increased unexpired risk of £6,455, the net underwriting surplus would be about £42,000.

The company's exceptionally strong financial position is shown by the reserves held—£276,866—which are equal to about ten months' full premiums, and the policyholders are further protected by the £200,000 of paid-up capital and £800,000 uncalled.

In Canada the company has been actively doing business since April, 1903, under the management of Mr. Frank H. Russell, of this city. Under Mr. Russell's management the business has shown a healthy and satisfactory growth, the business for 1905 being double that for 1904. The company is now writing liability business, and will without doubt get its full share of that class of business also.

THE ROYAL VICTORIA LIFE

Gratifying increases are shown in the annual report of the Royal-Victoria Life Insurance Co. for 1905, which will be found printed on another page of this issue. The applications for new business amounted to \$1,254,325, being an increase of 35 per cent. over the previous year. Of this amount, \$1,121,775 was accepted and policies issued therefor, showing an increase of 37 per cent. over the previous year. The cash income from premiums and interest was \$160,308.65, being over \$10,000 greater than that of 1904.

Another very gratifying feature of the report is that it shows a reduction in the ratio of expenses to income of 5 per cent. for the year, notwithstanding the fact that the new business was 37 per cent. greater than in the previous year.

The investments of the company have evidently been made with sound judgment. Not only has the interest on each particular investment been promptly paid on the due date, but the class of the securities and their market value make the investments desirable. Mr. David Burke, A.I.A., F.S.S., the general manager, has the active co-operation of a remarkably strong board of directors in his work of building up the company on progressive lines. It takes a lot of money and brains to successfully establish a life company in Canada in these days, but the results to be attained are worth the expenditure of both.

In the right hands, the expenditure necessary to establish a company becomes a safe investment, and one which will yield satisfactory returns.

"SOME FALLACIES THAT STILL VEX FRIENDLY SOCIETIES"

In his address on the above subject before the Canadian Fraternal Association last April, Dr. J. Howard Hunter, M.A., K.C., Inspector of Insurance and Registrar of Friendly Societies of Ontario, did not mince matters in pointing out the fallacies of our fraternal societies. From this candid and thoughtful address, the full text of which appears in the appendix to the Detailed Report of the Inspector for the past year, we make the following extracts:

"Every society launched with insufficient premiums, in its turn, learns—unfortunately not from the experience of other societies, but from its own—that in spite of all the new blood that can be thrown into the membership the burden of death claims continues to grow, until to every intelligent member the issue has plainly become, speedy reform or speedy dissolution. This issue sets the more active minds to search out the fallacy on which the society has heretofore been financed.

"Some of the fallacies that in early years vexed our societies have become so palpable as to be no