

PROVIDENT MUTUAL ASSOCIATION OF CANADA.

In order to be free from the slightest suspicion of unfairness in our remarks on this Association, we have inserted the so-called reply of the Directors to the charges made by us in our September issue. We do not remember having ever come across a better illustration of how a person can go through the form of a reply and still make no reply at all. The circular of the Provident Mutual may not inaptly be described as—words, and nothing more. We made certain definite charges against them: which of these have they answered?

To put the matter in more definite shape we will now ask some pointed questions. If Mr. Hopper has any reply to make to them we will be happy to insert it:

1. Is it not true that many, if not all, of the death claims on the Metropolitan Mutual Benefit Society, which is now incorporated with the Provident Mutual, were settled for a small percentage of their nominal face value? In a late issue we gave an actual case of settlement at twelve per cent.

2. Are not the same remarks true of the Canadian branch of the Rochester Mutual Associates, of which Mr. Hopper was manager, and which he took over with him into his present company?

3. Is it not true that about \$9 out of every \$10 received went last year to pay Mr. Hopper and his associated agents?

These questions are the substance of our last article, and our readers can judge as to whether or not the circular is any reply to them. We would now like to ask a few more questions on other points:

4. Considerable use is made of the name of the Hon. Mr. Lynch, and he signs the circular as vice-president. How many board meetings has Mr. Lynch attended? We believe Mr. Lynch to know little or nothing of the practical working of the society, except what has been told him by Mr. Hopper. Of what value, then, is his endorsement?

5. The circular states that the Association "is not run by its agents or in their interest, and neither is it controlled by them." As the most practical reply we ask them to deny that the circular in question was drafted by their general agent, Mr. Hopper. Moreover, who is their manager if Mr. Hopper is not? Mr. Gagnon certainly is not, and they must either admit that Mr. Hopper, their general agent, controls and manages the institution or that they are without a head entirely.

6. The circular refers its readers to the official report of the Inspector of Insurance for the Province of Quebec for further information. We have never yet seen any such report, and never heard of any person who had. Is there any such published report in existence? We do not believe there is.

7. The Association disclaims all responsibility for the "mishaps" of the Metropolitan Mutual and Rochester Mutual Associates, which are now incorporated with it. We will now give it some facts for which it cannot deny the responsibility. Why did they pay only \$631 on the policy of the

late Mr. A. F. B. Patton, of Stanstead, P.Q.? The amount payable to his heirs by the terms of his certificate was at least \$1,000, we think \$2,000. Again, why did they pay only \$647 on the death of the late Mrs. Julie S. Desjardins, of Montreal, when the amount payable by the terms of her certificate was either \$1,000 or \$1,500? The advocates of the assessment system speak loudly of the cheapness of that form of "assurance," and they can well afford to do so, since they need only pay \$600 in lieu of \$2,000, which would have to be paid by the regular companies in hard cash. Even in the height of its prosperity, and before the exodus has begun, the Provident Mutual does not pay all its claims in full.

The officers claim that "great care is exercised in the selection of members, and none but first-class risks are accepted." This sounds rather peculiar, in view of the fact that one, even of their directors, who must, therefore, be a certificate holder, has been declined by a number of regular companies, and it is to be presumed has, therefore, gone in with them on account of his inability to get assurance from ordinary companies which are stricter in their examinations. We could mention names, but have no desire to make this a personal matter.

"Birds of a feather flock together." The Provident Mutual encloses to its policy-holders a circular lately issued by the Mutual Reserve Fund Association of New York. In another column we quote some remarks from an English paper about this society. Our readers will see that the association of this name with it is hardly likely to improve the reputation of the Provident.

Even last year the members of the Provident paid between \$12 and \$14 on the whole average amount in force during the year for this spurious kind of assurance. If the cost is so high even now what will it be when the claims become numerous? For a very slightly higher premium, say \$18 or \$20, its members could get *bona fide* assurance in strong life companies, backed with large assets, and giving the guarantee that there will be no settling with their widows at from ten to fifty cents on the dollar. Is not the extra \$4 well spent? Which was cheapest in the two cases we have mentioned, \$12 for \$600 or \$18 for \$1,000? These persons, too, happened to be among the fortunate ones who died early. Those who have the fortune, good or bad, to be alive when the inevitable collapse comes will lose all. One of their own members put it well when speaking of the Society lately: "I know I am assured while I live; whether I will be when I die, I do not know."

The above was intended for our last issue, but was unavoidably crowded out. Since then we have received the second circular issued by the Association in reply to our strictures. We publish this in another column. It consists merely of an extract from a circular of the disreputable Mutual Reserve Fund Life Association of New York, in which a comparison is attempted between the expenses of the Mutual Life of New York, and of the Provident Mutual by showing the proportion which each forms of the sum assured. Their method of reasoning is certainly remarkable, but exactly of a piece with the