

is an erroneous and unprofessional view in which to regard the business. Our managing director, who, as you all know, is well qualified to express an opinion on the subject, says the well-being of all companies depends upon their receiving a proper premium rate, combined, of course, with sound conservative management. In this I entirely agree. From the inception of this company, we have worked on the principle of selling our insurance as a legitimate article, and obtaining therefor a fair price. This is of as much importance to the insured as it is to the company; insurance is not solely for to-day, but for a long period of time. And it is a duty devolving upon the directors and managers of a company to see that safe and satisfactory provision be made for the future. I have already explained to you what we have done in this respect, and we know to-day that we are not only able to meet all calls on the company, but we have in addition a handsome surplus above all liabilities.

Those contemplating insurance are very often led to form erroneous notions of the relative merits of companies, especially in the case of the older companies having large assets, which are almost wholly debts due by the company to its present policy-holders. New insurers having contributed nothing to the amount by which such assets exceed the company's liabilities, can derive no benefit from such surplus. A younger and smaller company may, from better plans and management, limiting its operations to our healthy climate, be a much better company in which to insure. I am pleased to see from the Government reports that the majority of our Canadian companies are making such good progress. This is as it should be, for are they not quite able to meet the wants of all intending insurers? It appears to me that the people of this country should in matters like life insurance give the preference to home companies. In doing so they are not only helping to build up our own institutions, but also aiding in the development of our country. All the funds of the Canadian companies are retained here and loaned to our own people; whereas, in foreign companies they are almost wholly invested in their securities, and the available capital of the country is diminished to that extent. I cannot press this important point upon your attention too strongly. I trust my remarks will be an impetus to our workers in the field, to aid them in securing for us more insurance this year than in any past year in the history of the company. As regards the Dominion, I am proud of my country, and of what, under great difficulties, it has accomplished so far. No man can foretell the future, but of this I feel certain, that if Canadians will go hand-in-hand pushing forward their respective interests, many of you will live to see this Dominion one of the most prosperous, peaceful, and God-fearing countries in the world, far surpassing the most sanguine expectations of any of us. I will now take my seat, wishing you and yours a very happy and prosperous year.

Hon. Mr. Morris said:—Seconding the motion is a very light task after the able manner in which our esteemed president has placed before you the strong position of this company, and the important bearing of life insurance upon our national prosperity. I am glad to see here such a large and representative body of men engaged in presenting to our people the claims of this company, and who are establishing it in a position of prominence and usefulness on the solid foundation that was from the outset the basis of its organization. The great advantages of life insurance are not as generally understood as they should be; its benefits are of the highest value to the community. I was much impressed with this fact by an examination of the last Insurance Report. At the end of 1887 the policies in force amounted to the large sum of \$191,694,000. To the hard-working mechanic, to the struggling clerk, to the merchant, and to the farmer, the boon of this great protection is in every sense a wise provision for their families, and meets their wants and necessities at a time when help is most needed, and in the majority of cases affords their only protection. I am very glad to know that our company has been so successful in obtaining the confidence of the public. The large amount of business secured is the best evidence that the community have confidence in the company. I think that the conservative methods upon which our business is conducted have contributed largely to this result. I most heartily concur with the presi-

dent in the importance of Canadians giving their support to Canadian companies. That our people are doing this is shown conclusively by the following figures:—In 1867 the official reports show that U. S. companies effected eight times as much insurance in Canada as the Canadian companies; while in 1887 Canadian companies effected more than double that of the U. S. companies. In 1867 the premium income of the U. S. companies was nearly three and a half times that of the Canadian companies; while in 1887 the premium income of the Canadian companies was considerably in excess of that of their United States competitors. This is conclusive evidence that our people are realizing the great advantages and convenience when accommodation is needed of dealing with our own institutions, and that companies like our own, which limit their operations to our healthy country and vigorous population, must necessarily be able to do better for their policy-holders than those extending their operations to the Southern States and other unhealthy parts of the world. Years ago, when consulting director of a large Scotch company, I observed that the mortality in Canada was comparatively small; this fact is one of the utmost importance. The reports show that our home companies receive a better rate of interest than their foreign competitors, and therefore should be able to give more satisfactory returns to policy-holders than such companies. As the profits will not be divided for two years, it was, I thought, a wise procedure, in view of passing events, to carry the whole of the savings of the past year to our Reserve Fund. This in no way affects the Surplus Fund, which could have been considerably augmented this year, but makes the position of our company in security to our policy-holders and intending insurers unexcelled in this country. By a reference to the official Government reports, it must be exceedingly gratifying to notice that in the matter of income, assets, insurance in force, etc., we far excel any of them at the same period in their history. I have such confidence in our agents that I have no doubt we will be enabled each year to report to our company in even a more favourable position.

Mr. A. H. Campbell, chairman of the Finance Committee, in speaking of the care and discrimination used in making the company's investments, said that it was a remarkably satisfactory state of affairs to have only some \$600 due for interest at the close of the year, and a few days after that this sum should be reduced to about \$100.

The usual votes of thanks were passed and the election of directors was then proceeded with. The scrutineers reported the old board of directors re-elected, with the addition thereto of his Worship E. F. Clarke, Mayor of Toronto. After the adjournment of the meeting, the board met and re-elected the officers of last year.

GORE DISTRICT MUTUAL FIRE INSURANCE COMPANY.

The annual meeting of this company was held at Galt, on Monday, 28th January, 1889. The Manager, Mr. R. S. Strong, read the following report of the directors, also the financial statements for the year and the report of the auditors.

REPORT.

The directors have the pleasure to submit for your information the report of the business transacted in the year ending 31st December, 1888.

The number of policies issued was 2,782, and there were in force at the close of the year 6,664, insuring \$7,412,907.00, being an increase of 116 in number of policies and of \$167,530.00 in the amount at risk.

There is little to report of change in the status of the company since last year:—The losses sustained during 1888 have been unusually heavy, the large fires during June and July at Chesley and Ripley having been severe on the "Gore" as well as other companies. For the first time in at least ten years this has caused a small deficiency of \$680.00 between revenue and expenditure; but, nevertheless, the assets of the company have increased, the total amount available to meet losses being \$259,922.00, as against \$256,280.00 with which we closed the year 1887.

The unadjusted losses at the close of the

year amounted to \$3,367.45, of which \$1,502.28 has since been paid, and of the remainder one is awaiting the arbitrators' convenience to enter upon an examination of the circumstances connected with it, and the other is left with the executive committee for disposal.

During the year the company met with a serious loss in the death of the late inspector, Mr. James McFeiggan, and the directors take this opportunity to express their high sense of the valuable services he rendered to the company in his official capacity during his connection with it. Mr. John N. McKendrick, B.A., Galt, has been appointed to the vacant position.

We direct attention to the reports of the inspector and auditors, and to the certified statements of receipts and expenditure and assets and liabilities, which clearly set forth the business of the company during the year.

The directors who retire by rotation are Messrs. Young, Warnock, and Strong, all of whom are eligible for re-election.

The office staff and the agents generally have again merited your thanks.

All which is respectfully submitted.

R. S. STRONG, Secretary.
JAMES YOUNG, President.
Galt, 28th January, 1889.

FINANCIAL STATEMENT.

Receipts.

Cash premium	\$33,914 21
Assessments	48,902 82
	\$ 82,817 03
Transfer fees	146 98
Extra premiums	225 03
Interest	5,102 83
Re-insurance claims	6,952 06
	12,426 90
Balance	680 69
	\$95,924 62

Expenditures.

Claims	\$63,159 73
Returned premiums	\$ 933 12
assessments	1,282 76
Re-insurance	7,125 75
	9,341 63
Bonus to agents on profitable business	1,680 03
Agents' commission	12,450 93
Salaries	4,874 90
Other expenses	4,417 40
	\$95,924 62

Assets.

Cash in office	\$ 1,472 64
" curr. ac. Merchants' Bank	15,679 15
" dep. receipts Merchants' Bank	4,000 00
" sav. dep. Bank of Commerce	4,002 04
" dep. receipts Bank of Commerce	2,000 00
Deposit with Treasurer of Ontario	20,000 00
Mortgages	57,800 00
Agents' balances	3,598 95
	\$108,552 78
Accrued interest	2,098 27
Assessments unpaid	57 12
Office furniture and fittings	731 89
	2,887 28
Premium notes	228,840 00
Less assessments levied	80,457 83
	148,382 17
	\$259,822 23

Liabilities.

Claims not adjusted	\$ 3,367 45
Re-insurance reserve	23,473 15
	\$26,840 60
Balance	232,981 63
	\$259,822 23

Total Assets.

Bal'ce of assets over all liabilities	\$232,981 63
Reserve for all liabilities, including re-insurance	26,840 60
Total assets available to pay losses	\$259,822 23

AUDITORS' REPORT.

To the President, Directors, and Members of the Gore District Mutual Fire Insurance Co.:—
GENTLEMEN,—Your auditors beg to report that they have examined the company's books for the twelve months ending December 31st,