

CONFEDERATION LIFE ASSOCIATION.

The Confederation Life continues its steady progress "through fat years and lean." At the close of 1908, the amount of insurance in force was some \$1,775,000 greater than at the close of 1907. At December 31, 1909, the total in force had increased to over \$51,797,000—a gain of more than \$2,000,000 during the year. All in all, in no year has a more satisfactory report been presented to shareholders.

Notwithstanding the large increase in volume of the company's business, it is to be noted that the actual expenses for the year were considerably less than for the previous year, showing the care that has been exercised over the company's expenditures by the managing director, Mr. J. K. Macdonald. Indeed, the ratio of expenses to income shows a reduction of slightly over $1\frac{1}{4}$ per cent., as compared with the previous year.

A large increase was made in the cash surplus, which now amounts to \$1,324,320, an increase of over \$230,000 for the year. The actual surplus earned for the year amounted to \$355,596, which was substantially the largest surplus earned in any year of the company's history. The rate of interest which the company earned on its invested funds for the year also shows a most satisfactory increase.

The claims arising from deaths among the insured were 255, calling for a total sum of \$458,282, under 282 policies. The company thus continued to enjoy its highly favourable mortality experience.

During 1909, the sum of \$1,141,561 was paid on the policyholders' and annuitants' account. Of that sum \$823,840 was for claims by death and for matured endowments. If to this item is added the balance of the claims for the year, awaiting proof, it will make a total of \$855,876 for the year. As remarked by the president, Mr. W. H. Beatty in presenting the directors' report, "the measure of relief the payment of this sum will have brought to many homes can readily be imagined, and will serve to illustrate the great benefits of life insurance."

The company's staunch conservatism in investment matters is evidenced by a reference in the report to the management's attitude towards municipal debentures. Somewhat large purchases of these and of high class stocks were made during 1909. The fairly high rate of interest prevailing made it possible to purchase these to pay a good rate of interest—thus securing long-dated investments certain to increase in value, while yielding a good rate of interest in the meantime.

TORONTO STREET RAILWAY gross earnings amounted to \$3,878,745 for the year as compared with \$3,566,493 for the previous year, an increase of \$311,652. While the passenger earnings show an increase in gross of 8.73 per cent. over 1908, the net revenue from operation shows an increase of 12.19 per cent. There has been transferred this year to the contingent account provision for renewals \$150,000. There has been also transferred from profits to this account \$900,000, and there has been expended \$597,620, leaving a balance of \$302,379 for future renewals.

INSURANCE LEGISLATION DURING 1909.

While Canada's new Insurance Bill failed to get to the enactment stage, the important legislative step of passing the Commons was made in 1909. The Senate's Banking and Commerce Committee is now addressing itself to the final shaping of the measure—and is finding the task no slight one. Early this week the committee gave further attention to the objections made in behalf of the British companies, by Messrs. D. M. McGoun and B. Hal Brown, regarding the requirement of periodical loss and gain exhibits. They contend that the requirement of such an exhibit on a British company's total business (of which the Canadian business may be but a very small part) would involve a vast amount of work, to little or no good practical effect.

Further discussion upon the bill is postponed until Tuesday next, when those interested in the fire sections are to have an innings.

In 1909, various bills relating to the incorporation of new companies, or modifying the charters of old, were passed by Dominion and provincial legislatures. In some cases the projected companies have not yet emerged from the embryonic stage. From British Columbia, where the company-forming fever seemed especially strong, there has come word that the Fidelity and Western Canadian life companies are merging, and that overtures have been made to the third of the projected companies of 1909, the British Columbia Life, also to join forces.

Early in 1909 the new Quebec Insurance Act, passed in 1908, came into force. In March a provincial Workmen's Compensation Bill was introduced—and this measure, since enacted, came into force throughout Quebec last month. It was in January of last year that the Alberta Workmen's Compensation Act came into effect; the first judicial decision under the law having been made only a few weeks ago, as recently noted in THE CHRONICLE. The Manitoba legislature in April last revised the provincial requirements for incorporation of insurance companies, with a view to guarding against wild-cat exploitations. The amount of a fire company's authorized capital must now be at least \$500,000, with \$250,000 subscribed, and \$25,000 paid up.

The legislative activity that threatened interference with companies throughout the United States during 1909 may be judged by the fact that more than 1,300 bills affecting life insurance alone, in the various State legislatures, were dealt with by the Association of Life Insurance Presidents during the past year. Fortunately none of the measures finally enacted by the different states adds materially to the burden of policyholders, or will seriously interfere with the orderly administration of the companies' business.

Out of the great mass of legislation considered, only one measure of the many enacted stands out prominently as adversely affecting the trust held by managers of life insurance companies. This is the Federal corporation tax law enacted by Congress last August. Practically every life insurance company in the United States co-operated in urging Congress to exempt life funds from the tax and while this effort was not successful the united front presented did bring about amendments to the law