

NEW MANUFACTURERS LIFE OFFICIAL

Mr. J. B. McKechnie, general manager of the Manufacturers Life Insurance Co., announces the appointment of Mr. J. H. Lithgow, A.I.A., A.A.S., as assistant actuary of the company. Mr. Lithgow returned from overseas in January after an absence of two years.

LARGE PAPER PLANT FOR THREE RIVERS

The International Paper Co., of New York, has decided upon the erection of a huge plant at Three Rivers, Quebec. Six million dollars, it is said, will be spent on this paper plant, that will be in the very heart of the wood and pulp industry of the valley of the St. Maurice River, for years noted for its extensive log-driving operations. More than 3,000 workers will be employed there, and the entire plant will cover an area of 100 acres.

BELL TELEPHONE COMPANY OF CANADA

The annual statement of the Bell Telephone Co. of Canada, Ltd., submitted at the annual meeting in Montreal on February 27th, showed an increase in gross revenue, but a decrease in net revenue, due to the much higher expense of operation. After paying interest on bonds, etc., a balance of \$1,542,634 remained. Dividends at the rate of 8 per cent. were paid, and \$102,634 remained as a surplus in comparison with \$533,070 last year. It is evident that any further reduction in net earnings will require a cut in the dividend rate unless the surplus is to be impaired.

The comparative results as given in the annual report are as follows:—

	1917.	1918.	Increase.
Telephone revenue.	\$11,179,162.07	\$12,227,545.33	\$1,048,383.26
Operation expense.	4,545,328.05	5,463,818.24	918,490.19
Current maintenance	1,595,366.19	1,903,624.51	308,258.32
Depreciation	2,470,000.00	2,648,760.00	178,760.00
Taxes	422,427.22	534,256.93	111,829.71
Total telephone expenses	\$ 9,033,121.46	\$10,550,459.68	\$1,517,338.22
Net telephone earnings	2,146,040.61	1,677,085.65	*468,954.96
Sundry net earnings	388,030.73	427,602.36	39,571.63
Total net earnings.	\$ 2,534,071.34	\$ 2,104,688.01	\$ *429,383.33
Deduct interest	561,001.30	562,053.82	1,052.52
Balance	\$ 1,973,070.04	\$ 1,542,634.19	\$ *430,435.85
Deduct dividends 8 per cent.	1,440,000.00	\$ 1,440,000.00
Surplus earnings. \$	533,070.04	\$ 102,634.19	\$ *430,435.85

*Decrease.

The balance sheet shows assets totalling \$50,701,470, compared with \$47,589,561 last year. The principal increase is in the telephone plant. In the liabilities statement the accounts payable have increased, as have also the replacement and other reserves.

The president, Mr. L. B. McFarlane, in addressing the shareholders, referred to the activity of the year in the telephone business, and to the difficulty of labor conditions which have been experienced, and which had made such a large cut in the financial results. Considerable extensions were made, however, 2,888 miles of wire being added to the long distance system. The number of company stations also increased by 18,944 during the year.

EXTRA PROVINCIAL POWER IN WORKMEN'S COMPENSATION

As a result of the loss of life on board the steamer "Princess Sophia," claims have been entered against the Canadian Pacific Railway Co. under the Workmen's Compensation Act of British Columbia. The company, however, through its solicitor, Mr. J. E. McMullan, has called attention to some legal points which have not as yet been settled.

"The British Columbia Act," he says, "expressly deals with accidents which happen upon ships outside British Columbia. Does the British North America Act give them that power?"

"Further, the English Merchant Shipping Act, which is in force in Canada, and the Canada Shipping Act, as a matter of public policy to induce investments in shipping, limit the liability of a shipowner in respect of an accident, to a fixed amount per ton of the ship's tonnage. Is not this provision in the shipping laws to be applied in harmony with the Workmen's Compensation Act?"

"These are questions of considerable importance. The recent Workmen's Compensation Acts in a number of the provinces are a new departure in provincial legislation in Canada, and, as might be expected, questions as to the powers of the provincial legislature arise in consequence."

SUN LIFE ASSURANCE COMPANY

For the year 1918 the Sun Life Assurance Co. of Canada obtained an excess of income over disbursements of \$7,671,681 as compared with \$6,951,798 last year. The principal results in comparison with 1917 were as follows:—

	1917.	1918.
Life premiums	\$13,373,429	\$15,079,657
Annuities	1,172,273	1,347,015
Total	14,595,453	16,471,487
Net income from interest, rent, etc.	4,663,814	5,138,914
Total income	19,288,998	21,651,100
Death claims, including pensions	3,087,996	3,268,694
Total payments to policyholders.	8,840,245	9,768,564
Expenses	1,415,148	1,639,838
Commissions	1,667,539	1,949,013
Total disbursements	12,337,200	13,979,418

The statement of assets and liabilities shows bonds having a market value, as fixed by the Dominion Government Insurance Department, of \$57,170,311, an increase of approximately \$5,000,000 as compared with last year. These bonds have a par value of over \$70,000,000 and a ledger value of over \$58,000,000. Holdings of preferred and guaranteed stocks valued in the same way amount to \$9,052,534 as compared with \$7,890,897 last year. These have a par value of \$11,800,000 and a ledger value of over \$10,000,000. Other stocks, valued at \$2,138,753, are held. Mortgage loans, on the other hand, have decreased from \$8,150,049 to \$7,754,701. Loans on policies have increased by about \$500,000. The total net assets are now \$97,620,379.

The reserves required on life policies and on annuities are \$84,567,115. Other liabilities of a miscellaneous nature bring the total to \$89,118,000, leaving a cash surplus to policyholders of 8,502,379, including the paid-up stock of \$475,000. The company's reserve on life policies is calculated with 3½ per cent. interest on policies issued prior to December 31st, 1902, and with 3 per cent. on policies issued since that date. In the case of the Federal Life policies, which company was taken over some years ago by the Sun Life, the rate is 3½ per cent.

In his speech at the meeting held on Tuesday, March 4th, the president, Mr. T. B. Macaulay, referred to the fact that the new business issued exceeded \$50,000,000, and that assurances in force were now \$340,809,656, a net gain of nearly \$29,000,000.