

## LIFE INSURANCE BY MONTHLY ASSESSMENTS

## What the Record of Three Years Shows—Rates Must Be Raised

Many are carrying life insurance on the assessment system in some, or even in several, of the associations whose names appear in the three-year chart, printed on the next page. By a careful examination of the figures, taking note especially of the columns, which show the amount of new insurance as compared with the terminated, each member can see for himself which way his association is heading. Is the society growing stronger, or is it wasting away, year by year.

The figures found under the heading of total members also furnish, in concrete form, a good index to the condition of each society. For instance, take the case of the first—the Ancient Order of United Workmen. It had 38,088 members at the close of 1911, and now two years later, has only 28,830. Or the Independent Order of Foresters, which, at the close of 1911 had 241,571 members, and closed 1913 with only 222,449. It lost nearly twice as much insurance as it received during the past 12 months. Two other societies, whose records also look dangerous, are the Canadian Home Circles and the Royal Arcanum. With much less insurance at risk than two years ago, all four of these societies, and some others, have had to meet decidedly heavier losses by death, during 1913.

## Case of the Foresters.

Besides a declining amount of business on their books, most of the associations have suffered either a serious decline, or a failure to make reasonable increase, as to the amount of assets on hand, compared with two years previously. A marked exception will be found in the case of the Independent Foresters. That society, it will be noticed, credits itself with no less than \$42,512,003 of assets on hand, compared with the \$17,623,872 which it had two years previously. Whence came this twenty-five millions of dollars, and of what is it composed? Is it in gold, in silver, in jewels or in bonds and debentures?

We do not see but that any of the other societies which are admittedly operating upon an unsound assessment basis, might make large addition to its assets in the same manner as was done by the Independent Order of Foresters. We think they ought, every one of them, to do at least that much, without delay. The officers should consult an actuary and find out how much they ought to have in the locker more than they now have, and then ascertain what members, old or new, have been paying too little, and assess all such with an equitable lump amount, according to age and past length of membership. Then call upon them to either pay the deficiency in cash, or pay interest monthly upon a loan of the amount, deductible at death. If each such member in arrears were to sign a note or bond, the society might treat it as so much cash invested, and thus show a similar increase in its assets, hereafter, to what the Independent Order of Foresters' figures now show.

## Would be Serious Mistake.

But it would be a serious mistake if those manufactured assets were deemed as reliable as the other stocks and bonds and debentures now in the treasury. These are good to send to the market and sell for cash when wanted, but the notes of members would only bring a hundred cents on the dollar in case the certificate did not prematurely terminate, as so many usually do each year. So long as the older members pay 4 per cent. per annum interest on the \$260 per \$1,000 of certificate, the Independent Order of Foresters will be receiving \$10.40 per year in cash, and from that downwards, depending upon the age of those elderly members, this being the maximum.

In the case of the Ancient Order of United Workmen, no liens have been imposed, and therefore the assets do not swell suddenly, as in the case of the Foresters. Indeed, on the contrary, they show a drop in the past two years—viz., from \$1,597,023 to \$877,384 on December 31st, 1913. They are continuing to travel, this year, since January 1st, in the same unpleasant direction. Instead of placing liens against the certificates and footing them up along with the bonds and debentures as if they were of the same class, they are proceeding by levying heavier monthly assessments upon the unfortunate elderly brethren. Since May 1st last, all who

are older than 65 pay the rate for that age, which has been fixed at \$5.60. All others above the age for admission, which continues at 44, have to pay as follows:—

Age.	Per \$1,000.	Age.	Per \$1,000.
45	\$2.19	55	\$3.30
46	2.34	56	3.49
47	2.42	57	3.65
48	2.50	58	3.85
49	2.60	59	4.05
50	2.71	60	4.28
51	2.73	61	4.50
52	2.86	62	4.75
53	3.00	63	5.01
54	3.15	64	5.30

## More to be Done.

Although the two steps of placing a graduated lien upon the old members' certificates by the Independent Order of Foresters, and of greatly increasing the monthly assessments of the Ancient Order of United Workmen, have the appearance of being quite drastic, yet, in the opinion of many good judges, they by no means place either society upon really safe ground. There still remains to be met in the end, somewhere and somehow, the irrecoverable losses that have occurred, during all those past years, from their beginning until now, by reason of the thousands of members who have dropped out, or who have died, without contributing the proper cost of risk. What these and some other societies have done, in making an increase in their rates upon the elderly people, are merely steps in the right direction, and as such only are they commendable. All their present rates, upon the young as well as upon the aged, will need to be materially raised, and profitably invested if they are to meet all the liabilities they are undertaking.

## DIVIDENDS PAYABLE

The following is a list of dividends payable in May and June:—

NAME	Quarterly Payable Per Cent.	Shareholders of Record	Books Closed	Books Open
<b>TRANSPORTATION</b>				
Brazilian Traction L & P	Ord 1 1/2	May 20	Apr 30	
Illinois Traction Co.	Com 1 1/2	May 15	May 1	
Montreal Tramway Co.	2	May 1	Apr 15	
Rio de Janeiro Tram L & P	1 1/2	May 1	Apr 15	
Sao Paulo Tram L & P	2 1/2	May 1	Apr 15	
Tri-City Ry & Light	Com 1	May 1	Mar 20	
<b>MISCELLANEOUS</b>				
B C Packers Association	Com 3 1/2	(a) May 21	May 9	May 10 May 21
	Pref 3 1/2	(a) May 21	May 9	May 10 May 21
Canadian Converters Co.	1	May 15	Apr 30	
Canada Cement Company	Pref 1 1/2	May 16	May 1	May 1 May 11
Crown Reserve Mining Co.	2	(b) May 15	Apr 30	
Cobalt Lake Mining Co.	2 1/2	(b) May 20	May 23	May 24 June 1
Coniagas Mines, Ltd.	6+3	May 1	Apr 18	Apr 20 May 1
Dominion Bridge Co.	2	May 15	Apr 30	
Dominion Steel Corporation	Pref 1 1/2	May 1	Apr 25	Apr 16 May 2
Kaministiquia Power Co.	1 1/2	May 15	Apr 0	
Kerr Lake Mining Co.	5	June 15	June 1	
Monarch Knitting Co.	Pref 1 1/2	May 1	Apr 21	
Montreal L H & P Co.	2 1/2	(c) May 15	Apr 30	
Murray-Kay, Limited	Pref 1 1/2	May 1	Apr 18	Apr 20 May 1
Penmans Limited	Com 1	May 15	May 5	
	Pref 1 1/2	May 1	Apr 21	
Robert Simpson Co.	Pref 3	(a) May 1	Apr 14	Apr 15 May 1
Steel Co. of Canada	Pref 1 1/2	May 1	Apr 18	
<b>BANKS</b>				
Commerce	2 1/2	June 1	May 16	May 18 June 1
	1	(d) June 1	May 16	May 18 June 1
Hamilton	3	June 1	May 22	May 23 June 1
Hochelaga	2 1/2	June 1	May 16	
Home	1 1/2	June 1	May 15	May 16 June 1
Imperial	3	May 1	Apr 15	Apr 16 May 1
Merchants	2 1/2	May 1	Apr 15	
Nationale	2	May 1	Apr 15	Apr 16 May 1
Ottawa	3	June 1	May 18	
Quebec Bank	1 1/2	June 1	May 15	May 16 June 1
Royal	3	June 1	May 15	
Standard	3 1/2	May 1	Apr 23	
Sterling	1 1/2	May 15	Apr 15	Apr 16 May 1
Union	2	June 1	May 17	May 18 June 1

(a) Half-yearly. (b) Monthly. (c) Quarter April 30. (d) Bonus.

The Royal Bank of Canada has opened a branch at Morewood, Ont.