

creant to my trust if I did not come here to-day and tell you that the deferred dividend policy has done more to popularize life insurance than any other agency. Because of the introduction of this form of policy the great benefits of insurance have been taken into thousands of homes. It is said that the issuance of deferred dividend policies is in effect the maintenance of a gambling enterprise. But when was uncertainty as to the profit from an investment declared justly to be gambling? Deferred dividend policies are not a gamble. The returns from them are mathematically calculated and fluctuate from many causes. There is no gamble in such an investment, and the assertion that such policies are a gamble is absolutely false."

He repudiated the charge that deferred dividends fostered wastefulness or dishonesty. The deferred dividend payment policy operates to create a great surplus, which is a safeguard, and to cause an equitable division of a company's profits.

He appealed to the committee to withdraw the Bill designed to do away with the deferred dividend plan in the name of justice and liberty, his remarks being loudly applauded by the insurance delegates.

#### MR. EMORY MCCLINTOCK'S VIEWS.

Mr. McClintock, the eminent actuary, made the address of the sitting.

He declared himself in favour of limiting new business, a course he had previously recommended. He objected to the short space of time given to make proposed changes.

He said all actuaries favour reducing the expense of insurance to the policy-holder, but the committee's object should be to stimulate competition and thus reduce the cost. The work of the committee, in his opinion, has resulted in doing more good for the insurance business than any agency that has ever been exerted.

He submitted a mass of mathematical calculations, and remarked:

"We are willing that our business should be upset, if in the interest of the public; but the bill as proposed by the committee is impossible of accomplishment. I wish to register my emphatic opposition to the proposed bill, designed to reduce expense, on behalf of justice to the companies and to the great body of agents."

In answer to questions, Mr. McClintock said: "The big companies have spent too much money. They have in various ways failed to make the surplus they should have made for the policy-holders. They have been mismanaged in many ways."

This frank admission elicited great applause.

William C. Johnson, chairman of the agents, followed Mr. McClintock and made an argument against the enactment of the bill designed to reduce expenses. He said the agents did not appear in the attitude of suppliants, but as men who believed in life insurance and were ready to fight for its protection.

#### THE MUTUAL LIFE ASSURANCE COMPANY. OF CANADA.

The Mutual Life of Canada went steadily ahead last year without showing any retardation in its progress from the criticisms passed on life insurance by that section of the Press which is the least equipped with the requisite knowledge for this work.

The volume of new business was 3,637 policies covering \$6,014,576 of insurance which is an increase of \$966,408 over previous year. All of this, except \$65,000 in Newfoundland, was written in Canada. The total amount of insurance at the end of 1905 was \$44,199,954 which exceeds that of 1904 by \$3,722,984.

The premium income was \$1,547,506, from interest and rents \$407,564, and profit on sale of real estate \$1,448, the total income being \$1,950,518.

The payments to or on behalf of policy-holders consisted of death claims \$231,924, matured endowments \$159,450, policies purchased \$64,189, surplus \$87,929, and annuities \$9,422, the total outgo on policy-holder's account having been \$552,914. Although the death claims were in excess of 1904 they were much below the expectation, which indicates how carefully applications are examined.

The expenses and taxes were \$348,491, which, with a profit and loss item of \$1,519, make a total of \$350,010, which equals 17.8 p.c. of the total income.

The assets are \$9,296,092, which includes \$272,121 of due and deferred premiums and \$177,312 of interest and rents due and accrued.

The directors report that the funds are invested in securities of a non-speculative character and are held on the books at their net cost.

It speaks well for the judgment shown in selecting mortgage securities in Winnipeg and well also for the conditions in that city that on mortgages amounting to \$473,555 the interest in arrear at close of 1905 was only \$227. Although throughout the Northwest, as we have several times remarked upon, there is an undue desire to acquire land, the company, however, has had its payments well met both for principal and interest. On 31st December, the amount due on mortgages in Ontario and elsewhere was only \$16,317, most of which fell due in the closing days of the year. This is also a favourable sign, as on the judicious selection of investments depends much of the stability of a life insurance company.

The average interest rate realized on the funds was 5.1 per cent.

The liabilities were computed as before, Combined Experience Table, with 4 per cent. interest on all business up to January 1, 1900, from that date to January 1, 1903, on the Institute of Actuaries' Table with 3½ per cent. interest, and, thereafter on the same table with 3 p.c. interest.

The reserve computed upon this standard of