

## GREAT WEST LIFE.

Annual Meeting of Shareholders.—  
Reports of Prosperity and Progress  
From the Officers.EXTENSION OF THE COMPANY'S BUSINESS—  
ADDRESSES FROM THE PRESIDENT  
AND DIRECTORS.

The annual meeting of the shareholders of the Great West Life Assurance Company was held at the head office of the company in this city on Thursday, 19th inst., and was largely attended, among those present being noticed the following gentlemen: Wm. Whyte, Hon. D. H. McMillan, T. B. Millar, Portage la Prairie; H. H. Chown, M. D., R. J. Blanchard, M. D., L. A. Hamilton, A. Wickson, J. A. Girvin, S. Nairn, A. M. Nanton, H. Meredith, Brandon; G. R. Crowe, N. Bawlf, H. Byrnes, J. A. M. Aikens, R. J. Campbell, W. A. McDonald, J. S. Aikins, T. Hurley, P. C. McIntyre, M.P.P., A. Macdonald, R. T. Riley, S. A. D. Bertrand, J. H. Brock, A. Kelly, Brandon; Wm. Logan, Carberry.

The chair was taken by the president of the company, Mr. A. Macdonald, who called the meeting to order, and requested the secretary to read the notice of meeting.

After the minutes of the meeting of 21st of March, 1895, had been confirmed, and an amendment to the by-laws approved, the managing director was called upon to read the report of the board of directors for the year 1895, as follows:

Your directors have much pleasure in submitting herewith for your approval the report and statement of accounts for the year 1895, the third full calendar year of the company's operations.

During the year 1,195 applications for insurance amounting to \$2,101,700 were received; 1,119 policies were issued or revived for \$1,899,200; and 106 applications, for \$171,500 were declined; the balance being in course of completion or under consideration. The insurance in force on the 31st December was \$5,071,150—a gain for the year of \$832,100.

The total cash income for the year was \$133,467.95—an increase of \$15,043.58 over the previous year.

The amount paid for death claims was \$22,769. The fact that the Great West Life is the only Canadian company having no unsettled claims at the end of the year is the best evidence that can be adduced as to prompt payments.

All the funds of the company (outside of cash, and the debentures deposited with the Dominion government), are invested on the security of first mortgages, on improved rental-bearing properties in the west, and on the policies of the company. The average rate of interest on these investments in 1895 was 7.05 per cent. The satisfactory manner in which payments of instalments due have been met is apparent by the fact that only \$46.15 remained unpaid on our books at the close of the year.

The company is now doing business in every province of the Dominion, a branch office for Quebec having been opened in the city of Montreal on 1st January, with Mr. James Lyster as provincial manager. We were fortunate in securing as members of the Quebec provincial board the following well-known and influential gentlemen: S. O. Shorey, wholesale merchant, Montreal; J. O. Gravel, secretary-treasurer Canadian Rubber Company, Montreal; H. B. Ames, wholesale merchant, Montreal; A. A. Thihaudeau, wholesale merchant, Montreal; H. J. Mudge, insurance manager, Montreal; Capt. G. H. Mathews, financier, Montreal;

Victor Chateaufort, wholesale merchant, Quebec.

The company has made steady and most satisfactory progress during the past year, showing a large increase in business in force, premium income, and reserve fund for the protection of policy-holders. We still lead in the security given to policy-holders, as our reserve, being computed on the actuaries' or combined experience table, with 4 per cent. interest, calls for a larger reserve fund than is provided by any other Canadian company on the same amount of business.

As the company has in three years attained in volume of business and in financial standing a position that has taken our most successful Canadian companies from eight to fifteen years to reach, it now only remains to continue this most satisfactory rate of progress to place us in the position that every western man desires our home institution to occupy.

SUMMARY OF FINANCIAL STATEMENT AND  
BALANCE SHEET FOR THE YEAR END-  
ING 31st DECEMBER, 1895.

Cash income . . . . .	\$133,476.95
Expenditure . . . . .	93,737.81
Assets . . . . .	210,905.40
Reserve fund and surplus for policy-holders . . . . .	210,793.57

Winnipeg, Man.,  
18th March, 1896.

To the President and Directors of the Great West Life Assurance Company Winnipeg, Man.

Gentlemen, We beg to report that we have made an audit of the Great West Life Assurance Company for the year ending 31st December, 1895, have examined the vouchers connected therewith, and certify that the foregoing financial statement presents a true abstract of the Company's books, and correctly represents its financial standing.

The securities embraced in the assets, with the exception of those lodged with the Dominion government, amounted to \$56,000, for which we found a sufficient receipt from the government, have been examined and correspond with the amounts in the Company's books.

Yours truly,  
(Sgd.) C. S. HOARE,  
ARTHUR WICKSON,  
Auditors.

The president in moving the adoption of the report said:

"It is gratifying to be able to say that the Great West has, at the end of its third year, attained a position in amount of insurance in force and financial standing, that the most successful companies in existence were from eight to fifteen years in accomplishing.

The revival in business we have been looking for in this western country for some years is already apparent—the magnificent yield of grain (61,500,000 bushels), and the large increase of live stock exports (over 80,000 head in 1895 from our own province and the territories to the west of us; the development of the wonderful resources of the mining regions of British Columbia and the Lake of the Woods district; have already commenced to have their natural effect, by increasing confidence in the future of our Great West, and inducing capitalists to invest their money in developing our immense resources.

The immediate effect of the improvement has been to increase the amount of applications from the first of January to date by just 43 per cent over the same period of last year.

Reference is made in the directors' report to the interest earnings—the importance of this question in the life insurance business can hardly be over-rated—and the fact that the principal companies in Eastern Canada have raised their rates of premium on account

of the reduced interest earnings brings it home directly to insurers.

Our present investments on security of first mortgages and our policies return us 7.05 per cent interest, and as this gives us more than 3 per cent over the rate assumed in fixing our premiums and reserve, while the average rate earned by all the other companies doing business in Canada only shows a surplus of 1 per cent over their assumed rate, we can, therefore give our policy-holders from surplus interest earnings three times the profits averaged by the other companies from this source. Against this it is argued by some that our rate of interest is coming down. This is true (and we are pleased that it is, for the fact proves that the confidence we have in the country is not misplaced), but the rate here is still 2 per cent to 3 per cent higher than at the home of any other Life Insurance company, and the experience of centuries has proved that the rate of interest in countries using borrowed capital largely, for developing their resources, always maintains about the same relative advance above the rate of the home of the large capitalists and investors.

It is again argued that other Life companies may come here to invest their funds. This also is true, but experience has shown that the want of knowledge of values has prevented other Life companies from investing enough of their funds here to appreciably affect their average interest rate. They all naturally prefer to invest their funds nearer home.

If we dwell somewhat upon this question it is because it is a matter of such importance to all policy-holders, as will more readily be seen from the following comparisons:

At 4 per cent interest, compounded, \$18 per annum amounts to \$1,000 in 30 years.

At 6 per cent interest, compounded, \$12.50 per annum amounts to \$1,000 in 30 years.

At 7 per cent interest, compounded, \$18 per annum amounts to \$1,422 in 30 years.

In other words, a payment of \$12.50 per annum for the average life of a man of 36 years of age, invested at 6 per cent interest, compounded, will give the same return that a payment of \$18 per annum will at 4 per cent, or an investment of \$18 per annum for 30 years at 6 per cent will amount to \$122 more than the same sum invested at 4 per cent.

While we refer confidently to the advantages we offer to insurers from our interest-earning powers, we have only to call attention to the fact that the reinsured business of the Dominion Safety Fund Life association again shows a satisfactory surplus, and fully justifies the expert opinion of our actuary, Mr. W. T. Stauden; and that with over \$1,000,000 at risk in our direct business, we had only death losses of \$3,000, to show that a satisfactory saving is also being made for surplus from this source. This very satisfactory result is largely due to the care, good judgement, and skill of our examiners and medical board, who deserve our congratulations.

The other source of surplus comes from saving in expense, and while the great competition in life insurance necessitates a larger expense than ought to be required, it is gratifying to find that a careful examination of the statements of all companies doing business in Canada shows that the cost to us is less than in the case of any other company.

To our managing director, Mr. J. H. Brock, and the efficient staff, is largely due the credit for this satisfactory result, and with a continuance of good care and judgment in the management of the different departments we can confidently predict a brilliant future for the "Great West Life."

Mr. R. T. Riley, chairman of the finance committee, in seconding the motion for the adoption of the report expressed his pleasure in doing so. Continuing, he said, "You