

THE CONFEDERATION LIFE ASSOCIATION.

We publish in this issue the 27th Annual Report of the Confederation Life Association, and policy-holders and shareholders have good reason to feel pleased therewith. Among the several notable features of the Report is the economy shown in conducting the business of the Company, and the extremely favorable mortality returns. The mortality was lower than during the previous year, when it was much less than that provided for by the tabular rate. Examination of the statement of the Company for 1898 reveals much upon which to congratulate the managing director, Mr. J. K. Macdonald, and his staff of active workers in office and field.

The new insurance written during 1898 covered 2,251 policies, and amounted to \$3,164,443, making the business in force at the close of the year 19,950 policies on 17,106 lives—the total amount in force being \$29,677,418. The death-claims were 99 in number, calling for \$183,931, under 112 policies. During the year the policy-holders received, in the form of profits, \$85,390.22, the average payments thus made during the past four years being \$86,319 per annum, or a total sum for the period named of \$345,276. During the same four years, the net interest and rents received have sufficed to pay the net claims arising from deaths, and to leave a surplus of \$153,840. The Company has always been distinguished for skillful and prudent management, and it is evi- dent for skillful and prudent management, and it is evi- dent that the directors are still pursuing the course out- lined by Vice-President Beatty in his address of last year, and that they intend to follow "the conservative policy of the past, and do a safe though moderate business at a reasonable cost." In moving the adop- tion of the Report of the Directors for 1898, the Presi- dent, Sir W. P. Howland, was quite justified in as- suming that its contents were satisfactory enough to "ensure the continuance of the generous support which the Company has received from the public."

The directors and officers of the Association were accorded a very hearty vote of thanks for their con- duct of the business during the year under review, and it must be a pleasure to Mr. J. K. Macdonald, the Managing Director, and Mr. W. C. Macdonald, the zealous Actuary of the Company, to know their ser- vices to the stockholders and policy-holders of the Confederation Life are fully appreciated. We con- gratulate the diligent Montreal representative of the Association, Mr. H. J. Johnston, who has for so many years watched over the company's interests in this province, upon having contributed his quota to the excellent results shown in the following tabulated statement of the leading items in the reports of 1897 and 1898:—

	1897.	1898.
Premiums.....	\$931,561	\$965,626
Interest and Rents.....	252,966	265,571
Total Income.....	1,184,527	1,231,197
Payments to Policyholders.....	503,721	455,974
Expenses and Dividends.....	221,411	226,203
Total Outgo.....	725,132	682,177
Excess of Income over Outgo.....	459,395	549,021
Total Assets.....	6,237,689	6,825,116
Policy and other reserves.....	5,673,813	6,230,728

MOVEMENT OF POLICIES.

No. of New Policies issued and taken...	2,017	2,251
Amount.....	\$3,080,472	\$3,164,443
No. of Policies in Force.....	18,915	19,950
Amount.....	\$28,332,005	\$29,677,418

LIFE OFFICES AND THEIR POLICYHOLDERS.

(Reasonable Representation on the Directorate.)

As a subject of interest to the immense body of policy-holders in our life assurance companies, attention has already been given in THE CHRONICLE to the pro- posed application to parliament for an act providing policy-holders with a fair and reasonable representa- tion on the directorates of companies. We have pointed out that in the consideration of a matter of such unusual importance, it is absolutely necessary that nothing should be permitted to warp the judg- ment of those to whom this question will be submitted. We are all too much concerned in the prosperity of our insurance companies to permit their welfare to be jeopardized by frequent changes in management. But if at any time those having the control of an enterprise deem it wise to suggest amalgamation as a means of increasing its power and usefulness, it is quite pos- sible that such believers in the time-worn adage that union is strength are perfectly sincere, and their views are therefore deserving of our careful consideration. It must not be forgotten, however, that to keep abreast of the times it is essential that we should realize that with age comes added responsibilities, and that the growth of keen competition may well render a policy once considered broad and sound much too narrow for the purposes of to-day. We also ventured to say that in the infancy of our insurance companies, it was not necessary to give much thought to the possible coming of a time when the over-shadowing interest of policy-holders would entitle them to a voice in the administration of the companies' affairs. But the ex- traordinary accumulation of money, so peculiarly a feature of the successful life assurance companies, now warrants the contention that in the control and dis- position of said money the policy-holders contributing same should have representation. It is admitted that a life assurance company does not require a very large capital.

It is quite possible for the paid-up capital of a pros- perous company, controlling twenty or thirty millions of dollars not to exceed one to two hundred thou- sand dollars. Surely, under such circumstances, no one will contend that the entire conduct and manage- ment of that company's affairs and all matters affect- ing the interests of the large army of the insured should be vested absolutely in the stockholders.

We are firm believers in giving to the founders of any enterprise, and especially to the original stock- holders in a life assurance company, due credit and a fair share of the profits resulting from their venture. But we cannot help viewing the action of the Canada Life Assurance Company in applying to Parliament for an amendment to their charter enabling the com- pany to give its policy-holders a voice in the election of directors, and representation on the company's board, as a step in the right direction, and the Presi- dent of the company is warranted in referring to it as proof of the desire of the Board to do everything that may be fair and reasonable in the interests of policy-