

480.06 for vested profits on the above unpaid Death Claims, and "Cash" and "Diminution" profits unpaid at 31st December, 1892, nearly all since paid.	
Reserve profit on mutual policies	102,111 79
Special reserve on account of 4 per cent. basis	250,000 00
	\$12,505,356 27

(Signed) A. G. RAMSAY, President,
R. HILLS, Secretary.

Audited and approved.

(Signed) MAITLAND YOUNG, Auditor.
The Canada Life Assurance Company,
Hamilton, Ont., 20th March, 1893.

REPORT OF COMMITTEE ON INVESTMENTS.

We hereby certify that we have examined and passed in detail the several securities specified in the "General Abstract of Assets and Liabilities to the 31st December last," and find the same to be correct.

(Signed) ADAM BROWN,
N. MERRITT,
JOHN STUART,

Canada Life Assurance Company's Offices,
Hamilton, 5th April, 1893.

I certify that I verified the balance of cash on 31st of December last.

(Signed) F. W. GATES.

Canada Life Assurance Company's Offices,
Hamilton, 5th April, 1893.

AUDITOR'S REPORT, 1893.

To the President, Vice-President and Directors of the Canada Life Assurance Company:

GENTLEMEN.—I have completed my audit of the company's books for the year which closed on 31st December, 1892, and examination of the securities representing the investments and loans of the company as existing at that date.

I have pleasure in certifying the accuracy of the books and agreement therewith of the statements of "Receipts and Payments," and "Assets and Liabilities," signed by me, which are a correct exhibit of the company's affairs. I also certify that the securities were found in perfect order and in accordance with the statements; also that the cash and bank balances were duly verified.

I have the honor to be, gentlemen,
Your obedient servant,
(Signed) MAITLAND YOUNG,
Auditor.

Hamilton, 20th March, 1893.

In rising to move the adoption of the report Mr. Ramsay said:

The report of the directors now before you explains that the business of the past year was largely in excess of any of its predecessors. It amounted to \$6,796,670 of new assurances, not far off three times what we did twenty years ago, and nearly 50 per cent. more than the new assurances of ten years ago. The business was confined altogether to our healthful Canadian climate, Newfoundland, and the State of Michigan, with a few risks from elsewhere introduced to us by friends interested in the company. This large business could have been greatly exceeded had we thought it wise to incur the extra risks of assurances in foreign countries, and what was equally important, the increased expenses such business would make necessary.

The colossal amount of assurances of our great American competitors is to a very considerable extent obtained from that class of business, with the largely increased expenses which it involves, and the very considerable reduction of the profits to policy-holders, to whom the enormous business alluded to brings no advantage whatever, but on the contrary it has so diminished the profits they are receiving as to create some dissatisfaction between these companies and others doing business on a different principle, so some injustice and injury in that way is being done to all companies. The matter is a simple one, however, which any business man will readily understand if he will consider what advantage it can be for a firm doing a business which yields a profit of 20 per cent. to increase the business and at the same time, and in a greater ratio, the expenses so as to reduce the profit to but 10 per cent. on the same capital. Our percentage of expenses is a moderate one, comparing favorably with

other companies, and its gradual reduction each year is an important feature for assurers.

To show you the progress of the company, I may state that twenty years ago its business amounted to eleven million dollars; ten years ago it reached thirty millions, and to-day it is sixty millions.

The assets now amount to over thirteen million dollars, having been increased last year by over a million, and these large investments receive the constant attention of the board and the management. The comparative low rate of interest now prevailing on the best class of securities a good deal affects the profits returns from that source, a result from which, however, our company is not singular in suffering.

The income of the year was \$2,344,077, it having been doubled in the last ten years. We paid for death and endowment claims the sum of \$691,885, but the total death claims of the year amounted to \$771,726, the balance of which was awaiting the production of proofs of death or title, to discharge the company. While this sum is a considerable one, it is within the amount expected and provided for, although I may mention that besides having, as the report states, a good many deaths from la grippe and the numerous illnesses by which it was succeeded, we had also last year an unusual number of deaths from sudden and what may be called uncontrollable causes. For example, ten of our policy-holders, for \$42,300, died by drowning and other accidents; two for \$9,000 were murdered, and five for \$13,000 were the unfortunate victims of suicide, making altogether an amount of loss from such causes as we had not before experienced. Notwithstanding that, however, the year's income from interest was within \$10,000 of the amount of the death claims paid, leaving, it may be said, after paying expenses and other charges, the year's premium receipts in the company's hands for accumulation.

As stated by the report, the successful results of our branch for the State of Michigan induced us lately to make a similar start in Minnesota. Our Michigan branch continues to give satisfactory results, the company's merits having already secured for it quite a prominent position among those doing business there. In Minnesota we have every prospect that the advantages offered by the company will obtain for us such a share of the business as we may reasonably look for from a field so progressive and enterprising.

In conclusion, I would, as usual, say that we shall be very much pleased to afford any information or explanation which may be desired, and beg to move the adoption of the report of the directors now before you.

Mr. F. W. Gates, vice-president of the company, seconded the motion to adopt; in doing so he said: Mr. Chairman and gentlemen,—The President's address has been so full and comprehensive that it leaves little for me to add. It must be a source of great satisfaction to the shareholders to notice the amount of business for the year, to see the company in such a satisfactory state, and to know that the business has been done upon a most careful and sound basis. The policy of the directors of the Canada Life, I believe, should commend itself to shareholders as well as to the public generally. We do not believe in the hot-house policy which has been adopted by others, but we believe in securing as large an amount of business as we can, and at the same time exercise the greatest care in the protection of the shareholders. I was struck by reading a paragraph in one of the newspapers the other day on this very subject, the manner in which we do our business, and with your permission I will read it. It is as follows: "In the wild rush for business at any cost the Canada Life has never taken a part. Its management has always held the interests of policy-holders superior to the glory of dazzling figures and mere size. It has always refused to pay more for business than that business was worth. The result has been that it has won the esteem and sympathy of both its policy-holders and the public, and so the company to-day holds a unique place among Canadian life insurance companies."

It must be pleasing to the shareholders to learn that the Michigan branch has given such satisfactory results, and that in Minneapolis the business is most promising. Unfortunately for Canada, we have a very large number of our people in the United States. I saw by figures recently published that in St. Paul and Minneapolis, really one city, there are

12,000 Canadians there, and that in the City of Detroit alone there are 18,000 people who were born in Canada. I am sure that these, from what they know of the Canada Life, will give us their support, and we can also depend upon them using their influence and co-operation in our behalf. I have much pleasure in seconding the adoption of the report.

President Ramsay put the motion, which was unanimously adopted.

Mr. Wm. Gibson, M. P., then arose and moved the following resolution:

That the thanks of the shareholders be tendered the president and directors for their attention to the interests of the company during the past year.

In so moving Mr. Gibson said: I have great pleasure indeed in making this motion. If I were not in the board-room of the Canada Life I might think that I was on the floor of the House of Parliament, when I hear the vice-president speak of the great number of Canadians in the United States. (Laughter.) But to speak of the company, I know that among the members of Parliament the Canada Life is, as it is with the public generally, considered to be in the first position among the insurance companies of the Dominion of Canada. Everybody feels, who is insured in the Canada Life, that they need have no fears about their investment or about their departure hence, because they know that all claims will be quickly and satisfactorily settled. It therefore gives me pleasure to offer this motion.

Mr. B. E. Walker seconded the resolution.

In doing so he said:

I have pleasure in seconding the motion offered by Mr. Gibson in view of the satisfactory showing made during the year. Life insurance to me appears to be banking, with the principle of insurance added, and when you consider the great risks and the care which must be taken in order to protect the company's investments, you can understand the meaning of a resolution of this kind and agree with me that it is not merely a formal one. The company is now getting near the close of the first half century of its history and is reaching the time when its conservative policy must bring to the Canada Life an enormous increase in business. When we look at the millions of dollars that have accumulated in the savings banks we can see that there must be a big increase, and we can expect the company to have greater success than ever. In future years, I am satisfied, when many of the present directors have passed away and the time comes at the annual meeting to move a formal resolution like this, there will be some who will look back at this period and will remember and be thankful for the conservative principles which guided the directors of the first fifty years. I have much pleasure in seconding the resolution.

This was put and carried enthusiastically.

President Ramsay briefly replied. He said: Gentlemen, on behalf of the directors and myself, I beg to return hearty thanks for the confidence you have expressed in us, and to assure you that our best attention will be given to the company's business in future, as in the past.

Mr. R. Jaffray then moved, seconded by Rev. Dean Innes, "That Messrs. George A. Young and Campbell Ferrie be scrutineers of votes for the election of directors in room of the three retiring, and the poll shall now be opened, and be closed upon five minutes elapsing without a vote being tendered." Carried.

Mr. Geo. A. Cox moved, seconded by Mr. Adam Brown, that one ballot be cast for the three directors. This was carried, and at the expiration of the five minutes President Ramsay announced the re-election of the three retiring gentlemen: Messrs. F. Wolferstan Thomas, Montreal; the Very Rev. G. M. Innes, Dean of Huron, London, and F. W. Gates, Hamilton.

Mr. Adam Brown, then moved, seconded by Major Henry McLaren, "That the thanks of the shareholders be tendered to the agents and officers and medical advisers of the company, to whose exertions in the interests of the company its remarkable success is in a great measure due."

In moving the resolution Mr. Brown said: It is my pleasant duty to move that the thanks of the shareholders of the company be given to the officers, agents and medical advisers of the company for their faithful and untiring service in the company's interest. In no year of the company's existence has this public commendation been more deserved than