POOR DOCUMENT

BIE

THE STAR, ST, JUHN, N. B., WEUNESDAY, MARCIE O, 1801,

LT. GOVENOR TWEEDIE TAKES OATH OF OFFICE.

Premier Will Give Out the Names of Members of His Gabinet Today-Lumbermen's Petition Presented.

FREDERICTON, March 5.—This af-krnoon at 3 o'clock the Hon. L. J. weedle took the oath of office as lieunant governor of New Brunswick efore Chief Justice Tuck. The hous

met at 3.30.

Hon. Mr. Pugsley said: "A week to yesterday it was the painful duty of the premier, Mr. Tweedie, to anaounce to this house the death of Lieunant Governor Snowball and to move that the house be adjourned until today. The adjournment was necessary because the death of the governor necessarily suspended the public business. Ince then, as you are all aware, the fon, Mr. Tweedie has been called upon the fill the position of lieutenant governor. While those of us who have so long followed Mr. Tweedie's learedship will rejoice at his elevation to the highest office in this province, I am sure the members of the house generally will regret that we are now to lose the benefit of his long experience in public life. He was first elected to this house in 1874, 33 years ago, and except for a income to this house the death of Lieutenant Governor Snowball and to move that the house be adjourned until today. The adjournment was necessary because the death of the governor necessarily suspended the public business, lines then, as you are all aware, the light of the public business, lines then, as you are all aware, the light of the public business, lines then, as you are all aware, the light of the public business. In the position of lieutenant governor. While those of two who have so long followed Mr. Tweedle has been called upon the lithing the made more profitable. They continued their office at his elevation to the highest office at his elevation to the highest office at his elevation to the highest office as the set of the sound of the limit of the

THE NEW CABINET

FREDERICTON, N. B., March 5.—Premier Pugsley's administration will take the oath of office tomorrow morning. It is understood that the following slate will be presented to his honor for his sanction: Dr. Wm. Pugsley, attorney general; W. P. Jones, solicitor general; C. H. Labillois, commissioner board of works; W. P. Farris, commissioner of agriculture; F. J. Sweeney, surveyor general; Clifford Robinson, member without port-

The premier will also act as provincial secretary during the session.

The governor has appointed R. S. Barker as his private secretary and the A. D. C.'s who formerly acted under Governor Snowball.

His honor expects to return to Chatham some time this week for a day or two. Mr. Osman will tomorrow afternoon be appointed Speaker.

The premier stated that the auditor general's report will be laid on the table tomorrow and that the other reports would follow, and it was hoped that the session would close by the end of the month.

Mr. Hazen—"Before that motion is put, on the ground of urgency, I would like to have an opportunity of presenting the petition of Louis H. Bliss, J. Fraser Gregory and Allan H. F. Randolph in favor of the Fredericton Boom Co. in the St. John River Log Driving Co.."

Last session an application was made

are equally interested in the log driving company it would make no practical difference, but as a matter of precedence I think some public notice should be given.

Hr. Hazen—All the lumbermen have agreed to this, but I will telephone to Mr. Barnhill and have notice published.

had recorded his belief that the great-est happiness in life is to be desired

of the great achievements of Rhodes, such as the acquisition of Rhodesia, the planning of the Cape to Cairo rail-

way and many others, which are familiar to everyone.

In closing his remarks about Rhodes, Dr. Parkin said he believed he was building better than he knew, and he had no doubt that the men who would be sent from the colonies to drink in the spirit of Oxford, would exercise a very great influence in the world.

Dr. Parkin was given a great ovation at the close of his inspiring address.

CLUB'S APPRECIATION.

The club's appreciation was expressed in the following resolution, moved by Rev. G. M. Campbell and seconded

by Dr. Bridges:
"The Canadian Club cordially wel-"The Canadian Club cordially welcomes Dr. Parkin, records its appreciation of his personal worth and ability, thanks him for his appropriate and inspiring address and assures him that his lofty sentiments on Canada's responsibilities and opportunity expressed in eloquent and persuasive terms, are accepted and heartily endorsed by the members." It was carried by a standing vote

After a couple of verses of the Maple Leafe had been sung the tables were removed and President McRobbie of the



Sun Life Assurance Co. of Canada

Evidence Before the Royal Commission Has Proved Best Advertisement Company Ever Had.

COMMENT BY THE MANAGEMENT.

The four months which have elapsed since the close of the sessions of the Royal Commission have shown that the inquiry has been of untold value to the Sun Life of Canada. The evidence brought out as never before its great strength, the high quality and absolute safety of its investments, their profitable character, the large profits paid to its policy-holders, and the good faith of its directors and officers. Now that the full report has been issued, the management note with satisfaction that the criticisms of the company are few. It is true thatthe Commissioners felt compelled to find some fault, but most of the points mentioned are of very minor import. The Commissioners "do not find any necessity for the increase of capital stock in 1897" from \$500,000 subscribed, \$75,000 paid up, to \$700,000 subscribed, \$105,000 paid up, as at present.

stock in 1897" from \$500,000 subscribed, \$75,000 paid up, to \$700,000 subscribed, \$105,000 paid up, as at present.

Several of the states which we desired to enter required a minimum paid-up capital of \$100,000. Even apart from this, however, and even if it were granted that the increase was not absolutely necessary, that it was highly desirable can hardly be doubted. In 1897 the company had policy liabilities of about \$7,000,000, and today those liabilities are about \$23,000,000. The disparity between liabilities of \$23,000,000 and a capital of \$75,000 need not be dwelt on. Few will, we think, agree with the Commissioners in considering the increase to \$105,000 unwise. The management does not favor excessive capitalization, but it is of opinion that if the capital of the company be open to criticism, it is because it is too small rather than too large.

pany be open to criticism, it is because it is too small rather than too large.

Reference is made to the fact that the company pays dividends to its shareholders of fifteen per cent. True. But that this may be seen in its real proportion it is only necessary to state that these yearly dividends since 1897 have been but \$15,750, and as the capital itself earned at least five per cent. only \$10,500 per annum came from the profits of the company. The actual profit earned last year was \$921,721.34. Was \$10,500 an excessive sum to pay from this to the shareholders, who stand as guarantors to the policyholders, not merely for \$105,000, but for \$700,000 of subscribed capital?

But if fault be found with the increase of capital, the terms upon which the extra stock was issued should, in fairness, be stated. For each share on which but \$15 was paid up (\$100 subscribed), the company received in hard cash \$45, or three hundred per cent. Dividends have been paid only on the \$15, not on the \$45. At five per cent, interest, the \$45 earned the entire dividend, so that the additional stock has not cost the policyholders one dollar since it was issued in 1897, and so long as five per cent, interest can be earned, it will not cost them one dollar for all time to come, unless the rate of dividend be increased. By the issue of this stock, \$90,000 of additional cash was paid in for the security of the policyholders, of which \$60,000 (the premium) went into the general surplus, and the shareholders also became liable for another \$170,000 of subscribed but uncalled stock, and all this has cost the policyholders for the ten years—ABSOLUTELY NOTH-ING!

this has cost the policyholders for the ten years—ABSOLDTELT NOTH-ING!

Another point that might in fairness have been mentioned is that although the charter leaves the decision of what amounts shall be paid to shareholders absolutely to the discretion of the directors, that proportion has been voluntarily reduced to five per cent., the policyholders receiving 95 per cent., although the usual proportions are 10 and 90. The interests of the policyholders have always been first with the Sun Life of Canada.

A few other unimportant matters are also referred to. The so-called "concealed" expenses, consist principally of small expenses connected with certain securities which were, as we consider correctly, deducted from the profit made from the sale of those securities. This is certainly the course which nine out of ten bookkeepers would consider right. However, these matters were all explained in detail, and we think satisfactorily, at the sittings of the Commission, and were fully reported in the press. The public are the real judges in this matter, and that the public were eminently satisfied with the company's evidence, has been shown by showers of congratulations. The investigation has, in fact proved a huge advertisement for the company—the best in its entire history—because the facts brought out met with the approval of the public. Under these circumstances we are well satisfied even though the Commissioners have not seen eye to eye with us on some minor points.

Sat. "16......Lake Erit Fri. "22.....*Empress of Ireland Sat. "30.....Lake Manitoba Fri. April 5.....*Empress of Britain ST. JOHN, N. B. to LONDON, via HALIFAX

Wed. April 10.... ... *Mount Temple (2nd and 3rd Class.) Wed. April 24......*Lake Michigan
(3rd Class only, \$26.50.)
*Steamers marked thus sail from
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St. John.

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NTERCOLONIAL

ON AND AFTER TUESDAY, JAN. 15th, 1907, trains will run daily (Sunday excepted) as follows:



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inclination.

Referring to the reports that come from the West of people being frozen to death, Dr. Parkin caused a great laugh by saying there was no excuse for those who had, been frozen to death this year meeting the same fate next year. The speaker's meaning was obvious, of course, but he joined in the laugh as soon as he saw the point of his involuntary lapse.

