

the Canadian Order of the Woodmen of the World. The last named was incorporated in 1893, and is the latest society organized under Ontario or Dominion laws for the transaction of this kind of insurance.

A Benevolent Societies' Act was passed by the Legislature of the Province of Quebec in 1899, and societies operating in that province are now making annual reports of their transactions to the inspector of benevolent societies of that province. No report of these societies has yet been issued by that department. I am indebted, however, to the inspector for statistics giving the amount of insurance carried by the local societies as at the end of 1902. Statistics for the preceding years are not obtainable.

In the following table there is given the business written and the amounts in force during the respective years 1892 to 1902 of the Canadian fraternal societies reporting to the Ontario and the Dominion insurance departments. From these figures there is excluded the foreign business of the society (Independent Order of Foresters) operating in foreign fields. The statistics also do not contain the business of the local societies of the Province of Quebec and those (if any) belonging to the other provinces. The volume of business done by these latter societies is, however, very small, the amount of insurance in force at the present time approximating \$16,000,000.

(6) CANADIAN FRATERNAL SOCIETY INSURANCE.

TABLE VII.

Amounts of insurance effected in Canada by Canadian fraternal societies in respective years 1892-1902.

Year.	Companies reporting		Total written.
	to Ontario dept.	to Dominion dept.	
1892	\$26,472,940	\$ 7,848,000	\$34,320,940
1893	22,860,150	10,494,500	33,354,650
1894	24,037,100	11,642,000	35,679,100
1895	21,254,250	13,239,000	34,493,250
1896	21,591,550	11,415,000	32,916,550
1897	23,271,946	13,878,500	37,150,446
1898	20,146,321	13,522,000	33,668,321
1899	22,566,864	8,957,500	31,524,364
1900	23,013,535	11,409,500	34,423,035
1901	26,009,830	9,368,000	35,377,830
1902	25,049,036	10,292,000	35,341,036

TABLE VIII.

Amounts of insurance in force in Canada carried by Canadian fraternal societies, 1892-1902.

Year.	Companies reporting		Total in force.
	to Ontario dept.	to Dominion dept.	
1892	\$134,552,809	\$ 48,249,000	\$182,801,809
1893	147,740,002	55,280,500	203,020,502
1894	155,203,278	64,085,500	219,288,778
1895	168,416,965	74,117,100	242,534,065
1896	175,964,809	83,636,000	259,600,809
1897	178,229,721	92,087,500	270,317,221
1898	185,427,999	98,253,500	283,681,499
1899	196,910,165	105,137,500	302,047,665
1900	208,686,025	110,085,500	318,771,525
1901	223,851,754	114,151,500	338,003,254
1902	234,540,988	119,163,500	353,704,488

As explained above, whilst these tables do not exhibit the actual volume of the life business of fraternal societies in Canada, they nevertheless show some interesting facts relating to the growth of this form of insurance.

First.—The amounts of new business effected during each year from 1892 to 1902 inclusive, have remained almost constant. Whilst the new business effected by the Canadian life companies (see Table I.) increased from \$26,622,034 in 1892, to \$48,045,662 in 1902, an increase of over eighty per cent., the new business of the Canadian fraternal societies increased only from \$34,320,940 in 1892, to \$35,341,036 in 1902. The largest amount effected in any one year, \$37,150,446, was in 1897.

Secondly.—Fraternal society insurance, when once effected, has been retained to a remarkable extent. The increase during the ten years of the insurance carried by the Canadian life companies (see Table II.) was 98.92 per cent.; in the Canadian fraternal societies this increase was 93.50 per cent.

In addition to the Canadian societies, a number of the American fraternal orders have branches in Canada. From information supplied by the officers of these orders, the amount of life insurance carried by these American societies at the end of 1902 is found to be approximately \$82,000,000.

The following is a summary of the fraternal life insurance in force in Canada at the end of 1902:

Canadian societies (Table VIII.)	\$353,704,488
Quebec, etc., local societies	16,000,000
American societies (Canadian branches)	82,000,000
Total	\$517,704,488

The lodge system has a firm hold upon the people of Canada, and fraternal insurance is wanted to a limited extent. It is in connection with these orders that the services of the skilled actuary should be sought for in the future, and if the society is to be kept upon a permanent basis, it must be under the command of the actuary.

The monthly premium rates of most of these societies have been increased from time to time, but in the great majority of cases they are still very inadequate, especially in respect of the older membership and the older ages.

In cases where the premium rate for new entrants has been largely increased, and where it approximates the net rate for a level premium insurance, it has been found that the influx of new members has been but very little retarded. Efforts to increase the rates upon the old membership, however, have for the most part met with fierce opposition, and the chief source of weakness in most of the orders is the carrying the older membership at very inadequate rates of premiums.

Fraternal society legislation in the future should be in the direction of compelling the proper reserves to be maintained in respect of all new insurances effected.

(7) SICKNESS INSURANCE IN CANADA.

Prior to 1896 sickness insurance was carried on wholly by the fraternal societies. Toward the close of 1895 a license was issued to an accident company to enable it to carry on in Canada the business of sickness insurance. Since that date other companies have obtained licenses to do sickness insurance, and at the present time there are ten companies transacting that class of business, all in connection with accident insurance.

Of the seven companies operating in 1901, only two regularly issue sickness policies not in combination with accident risks and the others combined accident and sickness policies, and in rare cases, a