

be able to control his directors?" asked Mr. Tilley, and received a negative reply.

Mr. Crawford admitted that as president, he had borrowed \$4,000 from the company, giving his note.

Evidence was given which showed there being continual disputes at the Board, a significant admission being made that the manager "forced" one director to resign. It was revealed that investments were made in the stock of a loan company in spite of this being illegal and despite the Hon. Mr. Gibson forbidding such a purchase.

Manager Spence, who holds complete control of the stock, testified that the expenses of the company ever since its organization had been greater than its receipts, but they had hope of an improvement in the future.

"Do you think," asked Commissioner Kent, "that there was ever any room for your company?"

Mr. Spence did think so and said that the reason for their failure to make dividends so far was the selfishness of the big companies, who were trying to get all the business.

Probably under such conditions as the Central Life has been working under, the manager being in absolute control of the stock, the investment of funds in prohibited companies, the lending money to the president, the board and manager being incessantly quarrelling, the conduct of the business being such as to lead to a heavy impairment of stock, under such circumstances it was eminently desirable that the business of life insurance should be in the safe hands of strong companies.

The Commissioners opened an enquiry at Waterloo, Ont., on 11th inst., into the affairs of the Dominion Life Assurance Company. Mr. Hilliard, president and managing director was the only witness. The formation of the company was fully gone into. Mr. Hilliard stated he was its promoter and first managing director, and secured the greater portion of the subscribed stock. Before he was an agent and inspector for the Temperance and General Life, he did all the actuarial work for the Dominion Life up to a short time ago, when they secured an assistant, holding an associate's degree. Regarding rates, he said he had fixed rates by calculation and comparison with other companies' rates. As near as he could remember rates, in some cases they might be a little lower and in others a little higher.

The company was incorporated in 1889 under a Dominion Act, which, he considered, proved sufficient security to deserve the confidence of the public. The incorporators were residents of Waterloo and vicinity. He located the head office here because he thought the company could be managed more economically in a smaller place than in a city. No considerations were paid him, no any directors, excepting their travelling expenses for organization purposes. It was agreed, however, that David

Trow, Stratford, should be the first president. Witness never had a contract. As managing director he was elected from year to year. A quarter of the capital stock of \$250,000 was paid up in cash into bank, actually \$63,100.

Touching the question of giving policy-holders the right to vote in the company's affairs, Mr. Hilliard thought this inadvisable, owing to the policy-holders being scattered over the entire world. Such a method would not be effective. His company did not believe in humbugging people by pretending to give policy-holders a vote. As to investments, besides those on mortgages and loans on policies, the company had purchased a few Soa Paulo bonds, but, learning that it was a questionable transaction and unauthorized by the act, they had disposed of them at a small profit. No loans had been made by the Dominion Life to directors or officers, but a loan of \$4,000 on mortgage had been made to an agent. The Northwest investments were mostly made by A. J. Andrews, of Winnipeg, who handled them most satisfactorily, and, owing to his good work, he was made a director.

Commissioner Kent asked if there was a crying need for new life insurance companies in Canada. Mr. Hilliard replied: "There may be people with more money than brains."

"Then you are not in accord with Senator Cox," responded the Commissioner.

Mr. Hilliard stated that the Dominion Life was carrying itself and leaving a small surplus. The examination of Mr. Hilliard lasted until adjournment, at six o'clock, with Mr. Geary asking a few questions.

The Mutual Life of Canada's affairs were to be examined into on 12th inst.

#### DOMINION COAL COMPANY.

The Dominion Coal Company are leaving nothing undone to make their mines at Sydney, N.S., a paying investment. In order to greatly increase the output, owing to the increasing demand for Canadian coal, the company has ordered three Westinghouse Generators of 500 K.W. capacity, together with exciters, transformers and motors.

This apparatus is to be used for pumping, ventilating fans, hoisting, lighting and general mine work.

The Westinghouse types of apparatus were chosen only after careful comparison and tests—and the fact that Westinghouse Generators were given the preference shows clearly that they are the finest of their kind on the continent.

Then, too, they are made in Canada by Canadians—the plant of the Canadian Westinghouse Company at Hamilton, Ontario, being one of the most complete in the world.