

inst., as compared with same week in 1902, were as follows:—

Montreal.....	17,353,759	27,534,669	-37.0
Toronto.....	12,783,435	16,737,278	-23.6
Winnipeg.....	3,850,016	3,461,020	+11.2
Halifax.....	1,466,997	1,635,947	-10.3
Ottawa.....	1,740,152	3,238,188	-22.3
Quebec.....	1,727,872	1,717,849	+0.6
Vancouver.....	1,228,326	1,307,790	-7.0
Hamilton.....	981,531	781,413	+25.6
St. John.....	927,984	923,795	+0.5
London.....	693,444	758,573	-8.6
Victoria.....	490,767	591,621	-17.0
Total Canada.....	43,244,283	57,701,143	-25.1

THE DOMINION IRON & STEEL COMPANY, LTD.

REPORT OF BOARD OF DIRECTORS TO BE SUBMITTED TO SPECIAL MEETING OF SHAREHOLDERS, 25TH SEPTEMBER, 1903.

The report of the directors of the Dominion Iron & Steel Company embraces a statement respecting the position of the company's affairs, especially regarding the causes which led them to recommend for the shareholder's approval an agreement for the surrender of the lease of the Dominion Coal Company's properties.

It is frankly admitted that, the lease of the Coal Company, entered into last year, has not yielded the anticipated results. The reasons for this disappointment are alleged to be, heavy expenditures on the coal property; a decline in earnings, owing to the fire in mine Dominion No. 1; and the requirement of the iron and steel business rendering the company less able to meet the capital outlay needed for the coal business. These conditions rendered a continuation of the operations of the coal department, as called for by the lease, impossible, unless a large amount of new capital were forthcoming.

The following are the terms arranged with the Dominion Coal Company for the surrender of the lease:

The Coal Company is to pay \$2,635,000, to assume the liabilities of the coal department, amounting to \$590,346, as well as all outstanding contracts, obligations, etc., and is to receive all the assets of the coal department. Of these only the "cash assets," consisting of accounts receivable, coal, supplies, etc., valued at \$2,084,602 are within the control of the Dominion Iron & Steel Company. The remainder represent expenditures upon, or in connection with the coal property, which, by the terms of the lease, become part of the leased property, and, in the event of default would revert to the Coal Company without compensation. This payment of \$2,635,000 therefore will refund to the Iron & Steel Co., the amount which it has, or will have expended in connection with the lease, viz., \$2,135,000. It will, in addition, bring into the treasury of the Steel Company, a further sum of \$500,000.

The circular includes the following statement:

The Coal Co. will relieve the Steel Company of the current liabilities of the Coal Co. amounting to.....	\$590,346 91
Out of the \$2,635,000 referred to the notes of the Steel Co. shown in the statement will be paid.....	655,003 00
The balance will be available in reduction of the Steel Co.'s ordinary debts.....	1,980,000 00
In all.....	\$3,225,346 91

The Steel Co. will transfer to the Coal Co. the assets of its coal business, of which those within the power of the Steel Co.'s disposal are..... 2,084,692 91

The difference in favour of the Steel Co. being \$1,140,654 00
On completion of the transaction the general liabilities of the Steel Co. which now are..... 4,448,961 58
Would be reduced by the sum of.... 1,980,000 00

Leaving the liabilities of the Steel Co..... \$2,504,961 58
Against which there would be held cash assets of. \$2,232,479 68

The new contract for supply of coal is reported to be favourable. The bonds already subscribed for \$1,500,000 will be set aside for the extensions and improvement of the Steel Company's plant. The shareholders will be asked to sanction an issue of bonds of which those subscribed for, as above mentioned, will form part. The report speaks hopefully of the company being benefitted by the new bounties recently granted by Parliament, and the prospects of the enterprise generally are regarded as encouraging.

So long as there was not capital enough for the two companies when working together it was highly desirable to enter into an arrangement under which they could be separately operated with a fresh supply of capital for each of them. As the Steel Company secures release from all the actual and contingent obligations involved by its association with the Coal Company, and will receive payment of a sum of \$500,000 under the arrangement contemplated, which is practically a bonus for surrendering the lease, it is probable that the report of the directors of the Dominion Iron & Steel Company will meet with the unanimous support of the shareholders.

To present a statement of such complicated financial conditions so as to be thoroughly intelligible is a task requiring exceptional talent in the art of financial exposition. Whoever drafted the report of the Steel Company exhibits this talent and is to be commended on his work.

ON THE GROWTH IN CANADA OF LIFE INSURANCE, ASSESSMENT INSURANCE, FRIENDLY SOCIETIES, ACCIDENT INSURANCE, EMPLOYERS' LIABILITY INSURANCE, HEALTH INSURANCE, PURE ENDOWMENT BUSINESS, ANNUITY BUSINESS, OLD AGE PENSIONS, WORKMEN'S PENSIONS, AND OTHER OPERATIONS REQUIRING ACTUARIAL ADVICE.

BY

A. K. BLACKADAR,

Actuary, Canadian Insurance Department.

PART III.

Under the Ontario Act no new fraternal society is permitted to register for the purpose of transacting business of the nature of life insurance, and as this act has been in operation since 1891, the societies remaining upon the Ontario lists and transacting such business have all been more than ten years in existence. The three societies licensed or registered under the provisions of the Dominion Insurance Act are the Independent Order of Foresters, the Catholic Mutual Benefit Association, and