# Bulwark of $100,000,000 Protects Sun Life Investments

## Unique Financial Position of Company Discussed by President Macaulay in Annual Address

Montreal, Feb. 14.—The phenomenal growth and success of the Sun Life Assurance Company of Canada lends widespread interest each year to the annual address of the President, Mr. T. B. Macaulay.

The annual meeting, which has just been held, disclosed a continuation of this expansion, but it was more noteworthy still for an announcement, almost startling in character, by Mr. Macaulay regarding the financial strength of the Company. He stated that so carefully had the directors anticipated every possible adverse contingency in the money market that even a panic which would reduce the value of the assets by one hundred millions of dollars would still leave untouched and unimpaired the shown surplus and reserves of the Company.

Mr. Macaulay dwelt as well in a most interesting and illuminating manner upon the relative merits of the varied securities in which insurance companies invest their funds, and of how traditional views on investment have altered owing to the changed conditions of modern business. He said in part.

"A mere statement of the increases over the figures of the previous year is impressive. In income the increase is $41,972,000; in assets $87,650,000; in surplus $9,157,000; in new assurances $112,836,000; and in total in force $408,925,000. A company with total business equal to these increases would be a large and powerful institution. It is but three years since we rejoiced at passing the mile-stone of $1,000,000,000 of assurance in force, and yet already we are nearing $2,000,000,000, while at this moment our assets exceed $500,000,000.

"But there is another feature even more striking and important. Advance figures indicate that the increase over the previous year in the new business written by the combined life companies of the continent was approximately 8 per cent., and the increase in the combined total in force approximately 9 per cent. Against these percentages let me place the figures of the Sun Life: ur new assurances increased 34 per cent., while our total in force increased 27 per cent.

"I need not further emphasize the rapid expansion of our business. It is but a continuation, though in accelerating degree, of our normal condition. That the Company is extraordinarily popular with the insuring public is evident. But people will hardly s ow so pronounced a preference without reason. That reason unquestionably is the great strength of the Company, and its unusual profit-earning power. The earnings announced in the report are slightly in excess of $40,000,000; but it is clearly intimated that had we desired to do so we could have taken credit for a much larger amount. We however follow our usual conservative policy. We always have before our minds the possibility of a business depression, which might occasion heavy shrinkage in market values of all classes of securities. Mortgage securities may at such a time become totally unsalable but that fact is not patent; while every fluctuation in the prices at which stocks and bonds can be turned into immediate cash is quoted on the Stock Exchange.

### Securities Heavily Undervalued

"I have decided to take our policyholders into our confidence in the most complete way, so that they may realize how fully our directors have provided against any contingency of his kind. You will notice that we say that the values quoted are those given by the government department or lower. There is much in those two words. They mean that the values given in the report are approximately $62,500,000 less than the actual current values of those securities on the Exchanges. Then we have the additional deduction from market values of $20,000,000, referred to in the report, and also the special contingency reserve of $12,500,000. These items total $95,000,000, and our unlised assets and other margins raise the amount to $100,000,000.

"This means that the market values of our securities could shrink by $100,000,000 without reducing our surplus by one dollar. Such a shrinkage is of course almost inconceivable. I indeed doubt very much if even the catastrophe of another world war could produce so drastic a depression. Supposing it did, we would still have intact our undivided surplus of over $54,000,000. We are hardly likely, I think, to be criticized for lack of conservatism. I do not know any other financial corporation which has its assets so protected. I imagine we are more likely to be told that we have been too conservative; if so, that is a criticism we must endure. Our safety margins may perhaps be unnecessarily large, but safety ust be our paramount consideration; and if, as we confidently anticipate, the margins prove not to be required, they will in time be available for distribution among our policyholders. And what possibilities for our policyholders do these margins represent!

### Investment Provisions

"It may be timely to summarize briefly the provision of our law. T ey permit investments in:—first, mortgages (up to sixty per cent. of the appraised value); government and municipal bonds; corporation bonds secured by mortgage; preferred stocks of corporations which have paid dividends for the preceding five years; and common stocks of corporations which have paid dividends for the preceding seven years, such dividends being not less than four per cent. per annum or $500,000 per annum in amount. These provisions avoid the extreme both of unwise freedom and of harmful restriction. To my mind they are almost ideal.

"Our list of assets shows that we own securities of large amount in all classes authorized by the Act.

"For a very considerable part of our investments we must, consequently, look to those classes of common stocks which are authorized by our Canadian Act. Fortunately, when the same degree of care as is necessary for safety in selecting mortgages and bonds is applied to the selection of common stocks, especially within the conservative limits laid down by the Act, these selected securities are, in the judgment and experience of the thoughtful and well-informed, among the choicest and safest of all investments and by far the most profitable and desirable.

### No Magic In 'Bond'

"Consider mortgages. What company has not suffered losses, and sometimes very heavy losses, on its mortgage investments? As to bonds, some people seem to consider that there is magic security in the label 'bond'. This popular belief is not supported by experience. The surplus earnings and margins of many companies, over and above the dividend requirements of their stocks, are much greater than the surplus earned by other companies in excess of the interest requirements of their bonds. Few experienced financiers would claim that the bonds usually offered are safer than, or even as safe as, stock of such companies as the Montreal, Light, Heat & Power, American Telephone and Telegraph, Commonwealth Edison, and many others I could name. The payment of the interest on the bonds is certainly no more sure than the payment of the dividends on the stocks. In the very unlikely event of the dividend on any such choice stock being reduced, it would be certain to be far more than offset by increases in the dividends on others. Our own average interest rate has been steadily mounting year after year, due solely to increased dividends and bonuses received on our stocks beyond the rates payable on those stocks purchased by us in 1923; the actual cash yield from these in 1928 represented a return of 2.38 per cent. on the purchase price greater than the dividends payable on these stocks at the time of purchase, while the average value of the rights and bonuses received during the intervening five years has amounted to a further .38 per cent. per annum.

### The Bill Before Parliament

"I will now say a few words about the Bill we have before Parliament. There has been so much misunderstanding and misrepresentation about it that I think you would like a plain statement of the facts.

"The original Charter, granted in 1865, authorized the Company's capital at $4,000,000. An amending Act passed in 1871 contained a somewhat ambiguous clause, which has been interpreted in some quarters as limiting the capital to $2,000,000. Five eminent legal authorities to whom we submitted the question assure us that the original authorization was unaffected by that amendment, but advised us that it would be well to have the matter put beyond doubt by a brief clarifying Act of Parliament.

"We do not ask that the capital be increased; we merely ask that our right to issue stock up to the amount originally authorized be freed from legal ambiguity by a simple declaratory clause.

"But why do we require a larger capital than the present $2,000,000?

"Chiefly for two reasons:

"(1) Because the present capital is manifestly out of all proportion to the magnitude of the Company's operations. It is absurd that a Company, whose assets are already $500,000,000, should be controlled by a capital of $2,000,000.

"(2) Because we wish to ensure that this great Company shall never fall into undesirable hands. We cannot alter the status of our existing shares, but we can impose restrictions on the transfer of the new shares which will be an effectual safeguard.

"It has been said that such an increase would divert from the policyholders profits properly belonging to them. This is the exact opposite of the truth.

"The Insurance Act allows stockholders to receive ten per cent. of the profits distributed from the participating branch. Our stockholders long ago reduced their share to five per cent. All our contracts for thirty years past have been made on the agreement that the participating policyholders shall receive ninety-five per cent. of these profits, and that right any of our members could enforce in any court of law."

## Druggists Observe

### Buckley's Cough Mixture Week

The week of February 28th to March 6th is being observed by the retail druggists of Canada as "Buckley's Cough Mixture Week."

This week has been arranged by the Retail Merchants' Association of Canada and the Provincial Boards of the Retail Merchants' Association, in co-operation with Messrs. W. K. Buckley Limited, the manufacturers. This product has been on the market for many years and because of its rapidly increasing favor with Canadians during the last few years, "The Week" is being featured this season to focus additional attention on this fine cough remedy.

Play after play has failed in New York this season. People just can't get a thrill out of the same old cuss words.

The largest piece of ivory in the world has been found in Alaska and is on its way to Washington without being elected.

**What Mussolini will do if he ever stops running Italy is more than we know, but he has an ideal disposition for the driver of a highway bus.**

# LIMERICK CORNER

## Joyous Jingles By Gifted Rhymsters

**Hundreds of contributions are reaching us that just fall short of requirements either in rhyme, rythm or expression, but we hope those who have failed so far will not be discouraged, but like the historic spider will try again.**

**Strive for originality in the idea behind the limerick as well as in the manner of expression.**

**The following are a few of last week's winners:—**

**Heintzman Pianos**

There was a young lady named
Anna,
Who wanted to have a piano,
Said her Ma it is true
No other will do
But a Heintzman Upright for our
Anna.

MRS. R. M. TAYLOR,
Nipawin, Sask.

**Purity Flour**

There was an old lady named
Bower,
Who always used Purity Flour;
She declared the day long
To be healthy and strong
Eat bread made of Purity Flour.

MRS. HENRY COULTHARD,
R.R. No. 1, Eugenia, Ont.

**Royal Yeast**

There was a farm woman named
Mary,
Whose bread was as light as a
fairy;
When asked to explain,
She replied, "It is plain
Royal Yeast Cakes your worries
will bury."

MRS. T GENOE,
Ceylon, Ont.

**Wrigley's Gum**

There once was a boy found a
penny,
Who being a Scotty was canny,
So he bought Wrigley's Gum
And he said, "Oh yum yum!
I knew this was better than any."

ELSIE ROBINSON,
Box 76, Prescott, Ont.

**Red Rose Tea**

Said a sprightly old man in Toronto,
"I drink all the tea that I want to.
As I've drunk but Red Rose
I've not got a red nose—
Wife, put on the teakettle pronto."

MRS. H. W. Stevinson,
Macleod, Alta.

**Salada Tea**

A matron who lives in Nevada,
Recommends very highly "Salada".
Come friends when you can
To taste my Japan,
My delectable Green Tea, Salada.

MRS. H. B. FLETCHER,
Paisley, Ont.

**Big Ben Tobacco**

There lived on the Island of
Thacker,
A jolly old farmer named Packer,
Who said with a smile,
"The 'Weed' that's worth while
Is a plug of this Big Ben 'Tobaccer'."

MISS MOLLIE PATTERSON,
Blenheim, Ont.

**Royal Purple**

There was an old woman at Shooster,
And she had a very sick rooster;
Royal Purple, she fed,
And she smiled and she said,
"Now he crows again just like he
use 'ter."

MRS. WARD BULLER,
R.R. 3, Ridgetown, Ont.

**Cuticura**

A flapper neglected her duty
To her skin—so she lost all her
beauty,
Although all those pimples
Detract from her dimples
Cuticura will cure her—poor cutie!

MRS. HURST,
Buckingham, Que.

**Williams' Pink Pills**

There was a young Toiler named
Tilly,
Who became white and frail as a
lily,
Took Williams' Pink Pills,
Which cured all her ills,
And now she's as gay as a filly.

MISS ETHEL McKELLAR,
Belmont, Ont.

Mrs. T. Genoe. No decision has been reached as to when the contest will be closed. Compare carefully the rythm of the limerick with which you won a prize with the others and you will see just where they fall short.

Mrs. T. Neal. Sorry we cannot return any limericks ubmitted as they are not kept.

There is plenty of enjoyment for the whole family if all join in the fun of writing Limericks.

Any nationally advertised article or service found in this or any previous issues of this paper may be made the subject of a limerick.

One dollar will be sent for every Limerick accepted. Give name and address and name of this paper. Write: Limerick Editor, Associated Publishers, Rooms 421-5, 73 Adelaide St. West, Toronto, 2.

# Sunday School Lesson

**March 3. Lesson IX—The Christian Church—Mark 4: 26-32; Eph. 1: 22, 23; 4: 3-6, 11-16. Golden Text—So we, being many, are one body in Christ.—Romans 12: 5.**

ANALYSIS

I. THE PREDICTIONS OF JESUS, Mark 4: 26-32.

II. THE TEACHING OF PAUL ON THE CHURCH, Ephesians 1: 22, 23; 4: 4-6, 11-16.

INTRODUCTION—The Christian Church is the most imposing and enduring of all the institutions of the world. It has outlived many of the empires of the earth. It is a divine institution, having been founded by Christ; and we have his promise that the gates of death will not prevail against it. It is true that many evils have disfigured the history of the church and many unhappy divisions still exist, but yet it remains as the greatest helper of man in all his moral and spiritual aspirations.

I. THE PREDICTIONS OF JESUS, Mark 4: 26-32.

V. 26. This parable is found only in Mark, unless it is to be regarded as part of the parable of the tares, Matt. 3: 24. It is one of many drawn from agriculture, the chief occupation of the land of Israel.

V. 27. When the sower does his work he has to wait and allow the secret forces of nature to carry on thtir mission.

V. 28. Three stages in the growth are given, the blade, the ear, the full grain. This represents the progress of the religious life, and some one has made the following application. First are the happy days of conversion when the young heart surrenders itself to Jesus; second, the period of trial and doubt which sometimes follow, and third, the age of fruit, when assurance has returned, and faith and hope are firmly fixed in God and his goodness.

V. 29. Christ is the sower. He will also return as the reaper. In the interval, the Spirit, all unseen, carries forward the work.

V. 31. In this second parable we have a further illustration of the great faith which Jesus had in the future of his kingdom. He saw quite clearly that the gospel wa to be preached to the most distant parts of the earth. The small seed will become a tree and all kinds of birds will rest on its branches. The condition of the church today is the best justification of these predictions of Jesus.

II. THE TEACHING OF PAUL ON THE CHURCH, Ephesians 1: 22, 23; 4: 4-6, 11-16.

When we pass from the Gospels to the Epistles, we are struck by the fact that we do not hear nearly so much about the kingdom of God, whereas the word "church," which is found only twice in the Gospels, is a common term in Paul's writings. It would appear as if the church now replaced the kingdom. Paul's doctrine on the church is an important part of his spstem, and is unfolded very clearly in Ephesians.

Ch. 1: 22, 23. These are the concluding verses of the first prayer of Ephesians, in which Paul is making intercession for his readers; and it is all summed up in the desire that they may know Christ in all his glory and power. Now among the various elements in Christ's authority is his rule over the church, which is described as the body of Christ. This striking figure is also found in 1 Cor. chap. 12, and it is meant to bring out many truths concerning the church.

We notice that Christ is described as the head of the body. The mind controls the body, but the body is the necessary means for showing forth the desire of the mind and for executing the resolves of the will. Thus the church is the organ for the expression of the mind of Christ. In the church we have the most convincing witness to the truth and spirit of Jesus. Paul does not merely think that the church was originally founded by Christ, but he is convinced that Christ sti lives and moves in the church. It is his body.

Chap. 4: 4-6. The next quality of the church illustrated by the body is its unity, and in these verses we have what are called the seven unities of the church. It is to be observed that none of these is concerned with outward organization, so that we cannot think that the Roman Catholic claim is correct which teaches that there can be no membership in Christ's church unless we are within that organization. Church unity does not consist of any outward form, but all the attributes here mentioned are spiritual and mental. They all deal with the faith of the heart. There may be great diversity in outward forms, but if there is agreement on the great essentials of faith, there may be real unity. The supreme demand made on all of us is to see that we show forth the spirit of love and brotherhood.

Vs. 11-16. But yet organization is necessary, and we know that from the first Paul appointed elders in the churches which he formed. In these verses it is to be noticed that he first mentions apostles and prophets. These were likely concerned with the entire church and had no local office. They were temporary, and the apostle received his authority directly from Christ. The pastors and teachers may be [illegible] the local ministers, and were responsible for the conduct of worship and the purity of the faith. From 12-16 Paul describes the object which Christ had in mind when he founded these different ministries. They fulfill their mission in so far as they are able to build up a strong character and a firm faith in those who are committed to their care. Paul concludes with the statement that all, ministers and people, are members of the body of Christ, and each has his part in the making of the church.

## Good Natured Gossip

The squire's pretty young daughter, accompanied by the new curate, was examining the children of the village school.

"Now, children," she began, "can you tell me what a miracle is?"

There was no answer for a moment, and she was about to repeat the question when a little maiden held up her hand.

"Well, Nellie," said the squire's daughter encouragingly, "tell the class what a miracle is."

"Please, miss," the little girl replied, "mother says it'll be a miracle if you don't marry the new curate!"

## Just Another Day

It was little Lucy's first ride in a railway train, and the succession of wonders had reduced her to a state of hysterical astonishment.

Suddenly the train rounded a bend and, with a piercing shriek from the whistle, entered a tunnel.

There were gasps of surprise from the corner where little Lucy knelt on her seat with her face pressed close to the window. A few seconds later the train rushed into broad daylight once again. This proved too much for the child.

"Daddie," she cried at the top of her shrill little voice—"daddie, it's tomorrow!"

## A Local Directory

After several months of ardent courtship the young man found his advances coldly rejected, and he took it very badly.

"If you were to look on my heart," he pleaded, "you'd find your name engraved on it in imperishable characters."

But the girl was not a bit impressed. She knew that he had proposed to every girl in the district at least once during the ten years he had lived there.

"Rally," she drawled; "then you must have a heart like a local directory by now."

**A GHOST OF APIECE**

Land Lady. Don't you think this pie has a really haunting flavor?

Boarder: It sure has—mine is a mere ghost of a piece of pie.

Facts that are not frankly faced have a habit of stabbing us in the back.—Sir Harold Bowden.

During my church question period over the radio Sunday night, I have had irreverent card players telephone in to ask how to play a certain poker hand.—Rev. Christian F. Reisner.

FOR SCHOOL HOURS

A patterned wool jersey, whose smartness is instantly recognized in flaring sides of skirt, achieved through shirring at hips. The attractive turn-over collar, turn-back flared cuffs and applied band at centre-front of blouse, are of plain jersey. Style No. 379 is designed in sizes 6, 8, 10 and 12 years. It is also effective in navy blue wool crepe, with bright red grosgrain ribbon pleated to trim collar, band and cuffs. Printed sateen, plain jersey, wool challis, lightweight tweed, linen, chambray and velveteen also suitable. Pattern price 20c in stamps or coin (coin is preferred). Wrap coin carefully.

HOW TO ORDER PATTERNS.

Write your name and address plainly, giving number and size of such patterns as you want. Enclose 20c in stamps or coin (coin preferred; wrap it carefully) for each number and address your order to Wilson Pattern Service, 73 West Adelaide St., Toronto. Patterns sent by an early mail.

## More Than Enough

When a worried-looking man presented himself in the claims department of an insurance company and asked for settlement of a fire insurance claim, the clerk asked a lot of questions.

"No, not much damage," remarked the worried one—"only a door burnt"

"How much do you think a new door would cost. When did the fire occur?"

"About eight years ago," was the answer to the last question.

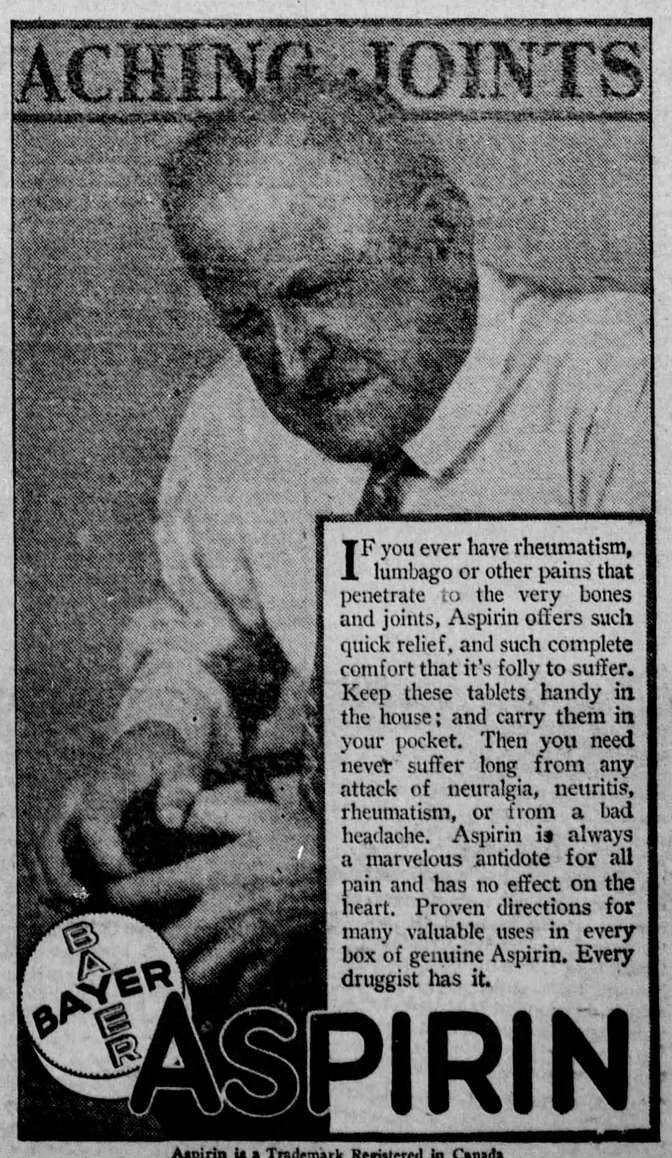
"Eight years?" echoed the clerk. "And you've been all this time making a claim. Why?"

"Well," replied the claimant, "my wife has been at me ever since it was burnt, and I couldn't stand it any longer."

A "seer" says 1929 will be a fortunate year for females, thus making the tenth year of that kind since 1918.

Bill: "What's your brother suffering from?" Phil: "Brain fever." "Oh, I thought it was something serious."


ACHING JOINTS



IF you ever have rheumatism, lumbago or other pains that penetrate to the very bones and joints, Aspirin offers such quick relief, and such complete comfort that it's folly to suffer. Keep these tablets handy in the house; and carry them in your pocket. Then you need never suffer long from any attack of neuralgia, neuritis, rheumatism, or from a bad headache. Aspirin is always a marvelous antidote for all pain and has no effect on the heart. Proven directions for many valuable uses in every box of genuine Aspirin. Every druggist has it.

BAYER ASPIRIN

Aspirin is a Trademark Registered in Canada