Canadian land market and the price of these shares has accordingly been put higher. The British Columbia Development Association's issue of 5 per cent. First Mortgage Stock, made at the beginning of the week was, I understand, a complete success.

The Vitality of Annuitants.

The vitality of annuitants, and pensioners, like that of workhouse inmates, has long since passed into one of the commonplaces of the language, and according to a paper read before the Institute of Actuaries this week, the vitality of the first named is such as to make annuity business under present conditions, positively unremunerative to British insurance offices. From the arguments and tables adduced it appears that annuitants live longer than previous experience had led valuers to expect, and, bearing in mind the fall in the rate of interest earned by insurance companies in the last twenty years, very little profit, if any has been made by the companies out of annuity business during that period. At the same time, the business has largely increased. Seventeen years ago the payments of annuities were only £797,000 yearly whereas now they are well over two millions. Conclusions come to were that the future course of annuity business can only be satisfactory if the terms on which existing contracts are being entered into are based upon past experience and that, as the terms upon which the State now grants annuities through the Commissioners of the National Debt, are such as to restrict competition to offices favouring unremunerative rates, the State annuities are likewise un-METRO. remunerative.

LIFE POLICY LOANS.

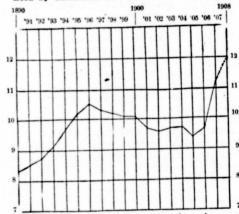
How a Period of Industrial and Business Recession Increased the Borrowings of Policyholders.

It is a matter for no surprise that the years 1907 and 1908 brought very considerable increases in the amounts of loans granted by life assurance companies upon the security of policyholders' contracts. The modern life assurance policy becomes the most available of ready assets when widespread business depression leads to general realizing upon personal resources. Never was this so exemplified as during the months following the American crisis of October, 1907. Thousands of policyholders have found a use for their contracts scarcely thought of when application for assurance was first made. Unfortunately, surrenders, as well as loans, have been part of the aftermath of business disturbance; and it is

to be feared that in very many instances, liberal cash values led to the giving up of policies that under old-time forfeiture conditions would have been held on to with grim determination. But no new good can be wrought without some accompanying drawbacks. On the whole, life assurance acquitted itself as a "present help" indeed, during days of financial stress a few months since.

Going back to 1890, it is of interest to trace, year by year, the proportation of the life companies' assets held in the form of policy loans. Corresponding to the tabular exhibit, the accompanying chart gives a graphic representation of the yearly trend.

Yearly Percentages of Policy Loans to Total Assets held by Canadian Life Assurance Companies.



It will be noted that during the first three years dealt with, the increase over 8 per cent. was but slight-not more, probably, than would be accounted for by the increasing proportion of newer policies containing liberalized loan privileges. Following 1893, a year of general business crisis, there was a sharper rise in the ratio-culminating with 10.5 per cent. in 1896—and gradually declining, with but slight variation, to 9.4 in 1905. That the decline was not more pronounced was doubtless due to the continued effect of increasingly liberal loan privileges. The slight upward jump to 9.7 per cent. in 1906 was probably premonitory of the coming storm; general business expansion and speculative activity, with consequent monetary stringency, led to considerable utilizing of credits available on life assurance policies. Then, in the closing months of 1907, came the more acute need for ready money; the corresponding increased demand for policy loans being shown by a ratio of 11.2 per cent, for the year, followed by one of somewhere about 12 per cent.

Percentages of Various Investments to Total Assets during years 1890 to 1907

	1890	1891	1892	1893	1894	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907
Real Estate Loans on Real Estate Loans on Collateral Stocks, Bonds, etc	7.3 45.5 6.7 23.9	10.7	43.2 8.7	40.2 10.5	37.0 9.8	37.2	37.4 7.2	36.2 7.0		32.5 8.9	30.8 6.6	7 8 28.8 5.9 40.9	26.6 4.9	25.9 3.9	3.2		3.5	47
Invested Assets	83.4 8.3 1.6 2.0 4.7	8.5	1.0	9.1	9.7	10.2	10.5 2.5 2.0	10.3 2.3 1.8	1.7	10.1 2.1 1 6	10.1	1.6	9.6	9.7 1.9 1.4	82.9 9.7 2.1 1.4 3.9	82.9 9.4 2.6 1.4 3.7	9.7	11.
Total Assets, Dec. 31	100 0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100