That is to say, the collective premiums paid individual losses and the expenses of cerrying on and administering the business of the company. I say that noatwithstanding the company is a private concern, conducted for profit of its stockholders the relations between the insured and the insurer are essentially co-operative and mutual. The capital of the company is for the purpose of supplying temporary deficiencies for in theory the premiums will always more than pay losses and expenses. Any plan of insurance should be prudent, safe and simple."

Mr. Higinbotham referred to the consideration of insurance, either over-insurance or under-insurance, in giving credit to customers, saying that a business that will not enable a man to insure is not worth having and should be promptly discontinued, and, in conclusion, gave some wholesome advice to companies and agents, regretting that there seems to be a moral antagonism and a suspicion of integrity on either side of an insurance contract.

IMPAIRED LIVES.

The New York "Times" recently had some editorial remarks upon "Longevity of Impaired Lives." The writer considers that physicians have been too hypercritical in their examinations, a fault, however, which errs on the right side, though doubtless such over-niceness of judgment has led to the rejection of many lives that turned out to be even above the average. An applicant who was rejected in 1884 has lived to see all the members of the Board that rejected him taken away except one and the physician also who was his junior. Not long since the president of one of the most successful of the conservative life insurance companies of this country said, in effect, that the study of the vital statistics of his business, and of many years of records of acceptances and rejections, had convinced him that medical examination was very much less useful than its considerable cost to the companies would warrant them in expecting. To illustrate his meaning, he said that if it were possible to throw a wing dam across the sidewalk of Broadway and catch those who first came along to the number of a thousand, he would as willingly take them as risks and write policies on their lives as he would a thousand applicants passed by the medical examiners of his company. In both classes he would expect to find good and bad risks, but would also expect them to average so that one class could not be distinguished from the other at the end of five, ten or twenty years. A thousand men caught in the hypothetical wind dam, under any but exceptional and quite improbable conditions, would be as near an average as could anywhere be secured. Their annual mortality would be the average for the community in which they lived, less the added percentage due to infant mortality. They would average the length of life due to the local death rate per thousand, plus the gradual increment of mortality due to the steadily-increasing average age, which must be allowed for in a class of a thousand, whether recruited haphazard or carefully selected. When the president who expressed the above view was asked why his company still maintained its system of medical examination, he said that it was probably the only way in which it was possible to approximate the average which would be reached without selection if men could be insured as they are enumerated for census purposes. A company which should "let down its bars" and take everyone who came would not get a normal average. Sound men would postpone insurance until it could not be had on medical examination, and the company would quickly become the refuge of the sick and the impaired, to the exclusion of the desirable risks who would go elsewhere, because unwilling to help carry the burdens of a business handicapped by the results of lax rules of admission. This would seem to be sound reasoning both as to the fallibility of medical judgment and the value of medical examination The "Times" draws the following conclusion from what it has learnt in regard to the longevity of impaired lives:

"From the statistics which every well-managed life insurance company has in its office, but does not show the public, great comfort may be derived by those classed as 'impaired lives' and rejected on examination. Not only do they show that such people are likely to live as long and, generally speaking, as comfortably as those who would be gladly accepted, but when the records are kept up they point to the conclusion that the impaired life, if not too seriously impaired, is likely to be prolonged far beyond the medical prognosis by reason of the care exercised by the man thus classed, who realizes, as the sound man rarely does or can, that he must take care of himself and avoid the excesses or exposures which others think they may brave with impunity. From this point of view a rejection for insurance on medical examination may be a very useful *memento mori* to a man capable of profiting by the knowledge that he will find prudence and discretion conducive to longevity."

MR. CLOUSTON ON THE WEST.

Mr. E. S. Clouston, general manager of the Bank of Montreal, returned home on the 2nd inst. from an extended visit to British Columbia. He expressed himself as hopeful that the mining strike would soon be over, and though he was not opposed to organized labour he deprecated the labour interests of Canadian workers being controlled by American associations. He regarded Canadians as numerous enough and intelligent enough to manage their own organizations independently of the control of Americans who are not familiar with the conditions that