

dry of C. V. Bennett. The same day another fire destroyed Free St. Andrew's Church and a carpenter shop.

Yarmouth, N.S., 19th.—A fire destroyed the house and barn of John Phillips. Loss \$2,000, no insurance.

Digby, N.S., 20th.—The house of Dr. Merrill was consumed by fire; insured for \$2,400.

Alliston, 25th.—The factory and planing mill of A. Ferguson were destroyed by fire; loss between \$4,000 and \$5,000, no insurance.

St. John, N.B., 25th.—A fire broke out in McFee's building, Union Street; damage slight; insured in Citizen's. Hotchkiss' bakery took fire from the oven later, and burned through roof and side, but was put out.

WHY LIFE INSURANCE POLICIES LAPSE.

THE number of life insurance policies which lapse every year because of non-payment of premium, is large. During the universal depression in business of the past three years, the number of "lapsed and surrender" policies reported by the companies has been so large as to attract much attention and occasion much comment. But almost, if not quite, all of our contemporaries who have discussed the matter, have looked at it from a mistaken point of view, and have therefore, naturally enough, drawn erroneous conclusions.

It is doubtless true that many policy-holders every year permit their policies to lapse by default in the payment of recurring premiums, because they were over-persuaded by the sanguine solicitors who obtained their applications, and they have perchance been disappointed in the returns of dividends they have received, and thence they hastily conclude that they made a bad bargain, and can do no better than to get out of it with the loss of the premiums already paid, or a portion of them. These and similar reasons, such as dissatisfaction with the management of companies, their expenses, &c., are the ones customarily assigned in newspaper discussions of the matter.

But it is obvious on a moment's reflection that such are not the reasons for a majority of the "lapses and surrenders" reported by the companies as having occurred in 1874 and 1875. During the past years the class of people in which are more life insurance policy-holders than in all other classes combined—peculiarly the middle class—there has been a degree of pecuniary embarrassment never before experienced in this generation. Tradesmen of small capital, mechanics and all who depend upon the avails of educated labour for their income, have been compelled because of reduced income to curtail expenditures in every possible direction. Those who were able formerly to save something from their yearly earnings after paying family and personal expenses, have been compelled to use all their earnings, and in numerous instances drawn upon the little store "saved for a rainy day" to meet the demands of current necessities. They have been compelled to forego all but indispensable expenditures. First, the monthly deposits in the savings banks were discontinued, and then the balance to their credit was reduced month by month until all was spent. When the life insurance premium became due, there was no money in hand or in the bank to meet it, and that saving made for the family's future need must be sacrificed. If, happily, the policy had been in force a sufficient number of years to give it a cash surrender value, the company would purchase it by issuing another policy for a less amount, or by paying cash for it, which cash has in thousands of instances been of

incalculable benefit to a family whose other resources were all exhausted.

Policy-holders do not recognise any legal or moral obligation to pay renewal premiums to a company, and therefore they consult only their own convenience or pleasure in addition to their duty to their family when they have to decide whether or not to permit their policies to lapse. And as the benefit to be derived from a life insurance policy is a future one, and is to accrue at some indefinite period in the future, it is frequently regarded as more easily dispensed with than many mere luxuries.

It is manifest that the large number of "lapses" during the past three years is attributable rather to the inability of the assured to pay premiums than to their dissatisfaction with the companies, and the large number of "surrenders"—a "surrendered" policy being one that is purchased by the company for value—is attributable to the need which the assured have felt for the present cash value of their policies rather than to any other cause.—*New York World*.

STOCKS IN MONTREAL.

4 o'clock, Oct. 25th, 1876.

Stocks.	Lowest Point in Week.	Highest Point in Week.	Total Transactions in Week.	Buyers.	Sellers.
Montreal	190	191½	856	191	101½
Ontario	103½	104	78	103½	104½
Consolidated	102	102½	344	102	102½
Peoples			6	93½	94
Molson				108½	111½
Toronto				187	191
Jacques Cartier	32½	33½	80	33	33½
Merchants	91½	93	785	92½	93
Commerce				124½	124½
Metropolitan		55	43	52½	60
Maritime				74	
Exchange		100½	52	100	100½
Hamilton					
Union			6	87	90
Montreal Telegraph		159	65	159½	160½
Dominion Telegraph				96½	98½
Gas	162½	163	147	162½	163
City Pass				B.C.	
Sterling Exchange	108½	109½		108½	109
Gold	109½	111½		109	109½
Bk of Montreal (xd)	184	184½	587	184½	185½

CHEESE MANUFACTURE.—The President of the Ontario Agricultural Association, in the course of his address before the members at the recent Exhibition, spoke as follows with reference to this important industry and its development in Canada: We may be said to live in the days of co-operation. Every important interest is less or more forwarded by the united efforts of our fellow-men. This, as much in agricultural pursuits as in the secular affairs of every day life. Wonderful strides have been made within the last few years in this direction in cheese making. In fact co-operation has become an absolute necessity. Over the whole Province cheese factories have sprung up every where with a mushroom growth, and strange and wonderful have been the results. From the smallest beginnings, this industry has attained to wonderful dimensions. Mr. Ballantyne, of Stratford, stated in Ottawa last winter that the income for cheese alone amount to the vast sum of \$6,000,000 during the year 1875. Such a statement seems all but incredible when we can remember that our markets were mostly supplied from the neighboring republic, and when farmers did little more than supply their nearest market town with this commodity. Due praise must be given to the pioneers of this production by the factories; it required no little foresight, no little courage, to risk means and time and talent on an industry which was so new to us, and one the beneficial results of which were yet in the undeveloped future. These cheese factories are working a wonderful

revolution in farming. They will prove abundant sources of wealth to the country; being but in their infancy, their progress cannot be estimated—the good to be derived from them is yet uncalculated.

A MINING SWINDLE.—The bankruptcy of Edwin J. Hulbert, Houghton, Mich., causes much indignation in that quarter. Mr. Hulbert, an engineer on Lake Superior, originated about five years ago a land scheme now derisively known as the "Tomahawk, or The Big Thing"—something after the nature of the "Great Bee Line Railroad." His scheme was, in substance, that his friends might, after paying such sums of money as they felt able, become subscribers to a fund to be used in purchasing valuable mineral lands; and that when the proper moment arrived the property or its equivalent in stock would be divided pro rata, &c. These lands he claimed contained the "Tomahawk, or Big Thing," which had a conglomerate belt that he had opened at three or four points. The document to which the subscribers attached their names, however, showed that those who signed it paid so much money to Mr. Hulbert and were not to ask any questions for two years, and at the end of that time it was optional with him whether he returned the money with nominal interest, or permitted them to participate in the profits of his scheme. This cool and one-sided proposition only seemed to whet the appetites of his victims, and made them the more anxious to invest. It is claimed that when Hulbert sprang his scheme he didn't own an acre in the direction he located it. Through misrepresentations he got Eastern capitalists to invest several thousand dollars in tracts of land which they still hold. Some months ago, the date having expired for Hulbert to "show up" or "pay back," murmurs of discontent were heard among the "Tomahawk" subscribers, and the situation around Houghton became so disagreeable he left. He was adjudged a bankrupt in Connecticut, and it is likely to pay his dupes all the way from 5 to 15 per cent. on the amounts they intrusted to his hands. The amount paid in is reported as \$33,725.

—The N. Y. *Spectator*, whose weight as an authority upon insurance affairs renders its utterances worthy of notice, has the following upon fire losses in Canada:—The annual statements of Canadian fire companies at the close of the present year will undoubtedly show that they have not been doing a very profitable business. There has been no diminution of ordinary fires, and in addition they have had to bear the losses from the extraordinary fires at Quebec, Kingston, St. John, Cayuga, Levis and St. Hyacinthe. The balance with many companies must be on the wrong side of the ledger already, with a quarter of the year yet to hear from. It will be evident to the managers generally, that higher rates must be charged, in order to make the business of insurance either profitable or safe, and that there must be such discrimination against towns in which there is no adequate provision for extinguishing fires as will compel an improvement in this respect. Each of the large fires named above might have been prevented by well enforced building laws, abundant water supplies, and ordinarily well trained and equipped fire departments. In this country the discriminating tariff adopted by sound companies, has saved vast amounts of property from burning by making it profitable for property owners and town authorities to introduce improvements; the same policy will have to be adopted and strictly enforced by the companies doing business over the border, or foreign companies will be driven out of the Dominion and the local companies will be ruined. The losses for the first half of 1876 of the companies doing business in Canada, on their Canadian business,