

rate of taxation than the person deriving a comparatively small income from the exercise of his trade or calling.

CANADIAN BANKERS' ASSOCIATION.

The feeling among Canadian bankers that it was desirable to have a formal association for discussing matters of mutual interest, as well as for mutual assistance and control, if necessary, has resulted in the formation of the Canadian Bankers' Association, which held its first meeting in Montreal on Thursday last. There was a large gathering. Considerable time was spent in discussing the scope and constitution of the association, but the constitution was finally adopted.

Two honorary presidents were elected, Hon. J. D. Lewin, president of the Bank of New Brunswick, St. John, and Mr. R. W. Heneker, president of the Eastern Townships Bank, Sherbrooke. The regular officers are: President, Mr. George Hague, general manager of the Merchants Bank; vice-presidents, Messrs. Walker, general manager of the Canadian Bank of Commerce; Ward, of the Bank of British Columbia; Stephenson, of the Quebec Bank; and Fysh, of the Bank of Nova Scotia.

A council was elected, composed of Messrs. E. S. Clouston, general manager of the Bank of Montreal; R. R. Grindley, general manager of the Bank of British North America; F. W. Thomas, of the Molsons Bank; G. Burn, of the Bank of Ottawa; J. Bousquet, of La Banque du Peuple; Schofield, of the Bank of New Brunswick, and W. Farwell, of the Eastern Townships Bank.

The council met after the adjournment of the association and elected a secretary-treasurer, in the person of Mr. W. W. L. Chipman. An informal discussion took place over a number of matters interesting to bankers, including, it is understood, the advisability of taking steps to reduce the volume of U. S. currency afloat in the country.

FINANCIAL AFFAIRS IN NEW YORK.

Henry Clews & Co.'s letter of 19th instant says: "One of the best features of the market is the self-restraint of the larger operators. Although having quietly laid up stocks, yet they hold back from active operations until the effects of the large crops become more general and more conspicuous, and until the setting in of the influences that usually attend the large January disbursements of interest and dividends. Among the current good symptoms are the increasing demand for railroad bonds and the consequent rise in their value; the good buying of the Grangers and the dividend-payers generally; the continued rise in the Vanderbilts under rumors of extra dividends; the renewal of confidence in Rock Island, and the more active buying of Northern Pacific, which has so long been a weak spot in the market. Bank-of-England day reflected an improving condition of affairs at London, the bank reserve showing a gain and suggesting an early reduction of the rate of interest; all of which implies some degree of recovery at the Continental centres. * * *

"We are now verging on the beginning of the forwarding of the large corn crop, which will bring to an important group of railroads the benefits of our abundant harvests and increase the list of lines showing large increases of earnings. The prospects of new legislation receive little attention from Wall street. It is taken for granted that, in view of the party complexion of Congress, it will be found virtu-

ally impossible to enact any new measures of special public interest. In respect to the silver question, the opinion seems to prevail that public, and it is hoped also Congressional opinion has come to the conclusion that there should be no further legislation on this issue until an international union has been created, establishing the free coinage of both gold and silver among all the leading nations, when there could be no objection to the unrestricted coinage of silver in the United States. If this be a correct interpretation of current opinion, the silver question is deprived of all immediate danger. It is an important contribution to the hopeful prospects of the coming year that, according to a report just issued by the Department of Agriculture, the market value of this year's crops of wheat, corn and oats exceeds that of last year's by \$310,000,000. A good portion of this may be expected to be devoted to the liquidation of farm mortgages, which will correspondingly increase the demand for other securities and put our great farming interest upon a more prosperous footing."

WHY LARGE POLICIES EXPERIENCE A HEAVIER MORTALITY.

For many years our life companies have been puzzled to find a satisfactory explanation for the well-observed fact that their death losses measured by amounts insured are universally heavier than when measured by the number of policies. In other words the mortality is heaviest among the largest policies. In England the experience has been directly the reverse, and many are the theories advanced to account for it. So firmly has the doctrine itself been impressed that more or less reluctance has been felt by some to assume large single risks. Strangely enough, it never appeared to have occurred to our investigators to inquire whether there was not some error in the reasoning which vitiated the conclusion. That there may be such an error we are strongly led to suspect from the results obtained by Mr. Teece in his analysis of the Australian Mutual life assurance experience during a period of forty years. In that company, too, the heavier mortality fell upon the larger policies. But by analyzing the corresponding duration of insurance they were found to be only about six years for the small policies, while they were nearly ten years for the large. Allowing for this difference, it appeared that the actual experience of that company was more nearly analogous with those of England. Analyzing still further he finds that the Scottish Widows' Fund would show a similar heavier death rate if no account were taken of duration of insurance, but that in the case of this society the duration of the two classes was respectively about eleven and fifteen years, and the difference less between the two as the duration in both cases was greater.

The bearing of all this is plain. Among the English companies, as a rule, the insurances have been longer continued and the difference in duration between the large and small policies has been less. As a consequence the influence of duration has been partially eliminated, and the facts have expressed the true law that the larger policies really experience the lighter mortality.

Looking to see how far we could find confirmatory evidence of the rule in case of our American companies, we turned to the experience of the Connecticut Mutual, prepared by Mr. Wells in 1885, and found the following facts: Among paid-up policies that had been less than eight years in force, in every year of insurance the ratio of amount lost had exceed-

ed that of policy loss by nearly twenty per cent. on the average. In every year of insurance greater than seven years, the ratio of loss by policies had been in excess by about twenty-five per cent. Among premium-paying life policies the losses by amounts were in excess only about three per cent. for the first fifteen years of insurance, while from sixteen to thirty-two years of insurance they were in excess from five to ten per cent. While no definite conclusions can be drawn from these figures, they are at least suggestive of similar influences at work as were noted in the case of the Australian.

The presumption is that among American as well as Australian companies large policies are more likely to be continued than small ones. If so, they would exist in greater proportion among old policies than young, and the results would necessarily be influenced by the wearing out of selections. The whole argument tends to support the conclusion that a mortality table by amounts may be better adapted to the practical work of a life company than if based on policies.—*The Insurance Monitor.*

A WARNING TO DISHONEST DEALERS.

Last week there came up before the Police Court in Montreal a case which interests many persons, and it was disposed of in a way that should bear good fruit. Some time ago a citizen complained that he had bought a ton of coal from Anseme Trepannier, a dealer, but instead of a ton he had received only 1,500 pounds. A warrant for defrauding by short weight was taken out against the man, and the case was heard before Judge Desnoyers. The witnesses for the prosecution were numerous, and he was proved to be guilty, although the defence brought a number of witnesses to prove good character. In rebuttal the Crown brought other persons who swore that Trepannier's carts could not hold a ton of coal, as if it was put in it would fall out; in fact, it was impossible to put more than 1,800 pounds in one of his carts. In passing sentence Judge Desnoyers, instead of inflicting a fine, gave the swindling dealer three months in jail, and remarked that others who defrauded their customers could take that as an example.

AN ILL-NATURED CORRESPONDENT.

Where ignorance is bliss it isn't folly to be at least civil. A very ignorant man may find pleasure in being polite. Rudeness doesn't always go with ignorance; but where the latter quality is combined with rudeness, boorishness, call it what you will, the result is a very unpleasant and contemptible specimen of humanity. A striking example of this has just been brought to our notice by a well-known firm of manufacturers in Toronto. On being asked to quote prices for a certain line of their wares the firm sent the following reply:

"Our prices and terms on this class of goods are always net cash; if, however, you can give us satisfactory references, we might arrange to give you thirty days."

Now, not only must a man be densely ignorant to take offence at this business-like note, but he must have a pronounced streak of ill-nature in him as well. The answer to the reply need only be given below to confirm this opinion. It is from a firm in Western Ontario, and though written on their printed letter-head, is not signed:

"SIRS,—Your letter and sample to hand and contents fully noted, and, sir, you must certainly think we are badly pushed for goods