

and flax did not, as we showed in July last (page 80), rise with the other textile materials earlier in the year, but cotton has risen since.

FRIENDLY SOCIETIES RAISE INSURANCE RATES.

The experiment of assessment life assurance has now been tried for a period long enough to convince most practical people that the principle does not work out satisfactorily. And further, it has been demonstrated that the rates levied by a great number of prominent companies using assessment methods, were insufficient. All around us are seen societies and companies which used to boast of the cheapness of their rates (while calling old-line companies robbers and bloated plunderers), now acknowledging that they had not charged sufficient premiums, and asking their customers accordingly to pay more. For twenty years at least THE MONETARY TIMES has been warning the insurance public that these pass-the-hat concerns were promising more than they could perform. And we have cited in that time many a score of failures of such concerns as proof of the inadequacy of their rates.

It is no longer news that the Mutual Reserve Life had to raise its rates; that Oronhyatekha's big company has done the same; that the Fidelity Mutual, whose actuary is Mr. L. G. Fouse, long an apostle of the cheap rates, acknowledges the logic of facts too strong for his theory, and requires increased contributions from his policyholders. We are interested in observing that the Canadian authorities of the Ancient Order of Foresters, whose intelligent views on the necessity of an increased scale of payments for life certificates we noticed with approval some twelve months ago, have taken a decided stand in this direction. The Subsidiary High Court of this body—which is not the I.O.F., be it remembered—has notified its members of a new and increased scale of charges, coming into force this month. And it is important to observe that when a member of this body returns his certificate, having agreed to accept one of several options offered, a new certificate will be issued to him "which will be a *specific contract*, and not subject to further raise of rate of contribution."

Based upon the scale adopted at the August meeting, the monthly contribution of a member at age 44 next birthday, who had hitherto paid something like 82 cents, is raised to \$2.18, payable monthly in advance. That is, unless advantage be taken of one of several options as follows:

Option 1.—Rate of contribution, \$2.18; less reduction of rate by value of share of reserve, 16 cents, leaving his net rate, payable monthly, \$2.02.

Option 2.—The difference between the amount of reserve apportioned to your certificate and the Government standard reserve to be a lien on certificate. This would make the value of a \$1,000 certificate at death (less amount of reserve), \$877.42, and the net rate, payable monthly, \$1.86.

Option 3.—He may continue payment of the original rate (82 cents per month) and receive certificate for such amount as the rate paid and the share of reserve will purchase at new rates. Under this option the value of \$1,000 payable at death would be \$388.09.

Option 4.—He may discontinue payment of contributions and receive a paid-up certificate payable at death for \$53.40, which is the value of his share of the reserve.

It is to be learned from this statement that the amount now required from a member aged 44 is more than two and a half times the 82 cents per month he had been

accustomed to pay. If \$2.18 were not necessary, we cannot believe it would be charged. And it is very striking that the payments already made by this member during thirteen years, amounting to \$130, only suffice to yield a paid-up certificate for fifty-three dollars and forty cents, instead of a thousand dollars. A fact like this emphasizes the insufficiency of the rates previously charged by this friendly society, and incidentally by many others. The A.O.F. has done well to act upon its sensible conclusions. Any assessment concern which expects to last must do likewise.

OUR AUSTRALIAN LETTER.

So far this season better general rains have fallen in New South Wales than for several years, and the outlook is improved, but in a dry climate like this there is room for much destruction between now and January. The other colonies have had good rains likewise. The Queensland wheat crop has been damaged by frost. Your readers will imagine that this is another Australian oddity to have a wheat crop damaged by frost almost at the edge of the Torrid zone. It happens, nevertheless, and takes place when there is a slight frost just when the plant is in bloom. With good crops possible and high prices for wool, things are looking up a bit.

Values are advancing in harmony with the world's markets. They have not kept pace with the increase in the United States, and orders which for a year or two, in such lines as wire and iron and steel goods, have gone to America, have latterly been sent to England and Germany.

Ever and anon there is a rumor that the freight lines from New York, which have waged sharp war for a couple of years, have made up their differences and agreed upon a common tariff. The rumors have not been verified. The latest is that freights have gone down another five shillings per ton. Goods can be brought by steamer from New York at considerable less rates than from Vancouver, but the steamers from the latter city are loaded down to the water line with cargo both ways. Flour from Manitoba, four mills being now in the trade, is the bulk this way, and sugar from Queensland the other.

It is not ages ago when some Canadian farmers wrote indignant letters to the Canadian Commissioner here that the result of his mission would be to ruin them by leading to the Canadian importation of Australian cheap products. The only competitive articles that have gone so far is a little meat, butter, etc., about a hundredth part or less of the importations from the United States. A representative of a British Columbia company is here now. He came over with a flourish of contracts with British Columbia provision dealers for a great number of carcasses of mutton monthly, but on examining them it is found that the price which these people have agreed to give is altogether too low to make business possible. It does not give the Sydney people a very high opinion of British Columbian business methods, when men can be found who can waste money in an enterprise the futility of which, on the terms they had fixed, could have been learned at their own doorstep.

James Riley & Co., a small firm that has persistently sought Canadian connections since the Chicago Exhibition of 1893, has failed. At one time, as manufacturers' agent, it promised to make headway, but latterly the business partners with some money have gone out of it, leaving James Riley alone. The firm sought to get consignments on sale. The Canadian Commissioner refused to recommend this scheme. It is surprising, therefore, that a Canadian firm is the largest creditor. The estate may pay a penny in the pound. Riley has been arrested on a charge of fraud. Canadians ought to know that a man may do well enough to solicit and forward orders, but may be unworthy of credit. Further, when it may be advisable to consign a quantity of goods to introduce them on the market, the consignee should be looked after, and reasonable remittances exacted. With an agent of their own Government on the spot Canadians are in a position to find out what is the matter, but unless they enquire it is not likely that a Sydney debtor will give the information that he is in arrears.

I should judge from The Monetary Times that Canada thinks she has a practical monopoly of nickel, or at least of the