surance company. Nothing more was intended, and if anything else was conveyed or implied to the prejudice of the association, we regret it.

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The following letter will be of interest to life insurance managers desirous of establishing life associations in Canada:

To the Editor of the Post Magazine.

Sir,—It may be interesting to your readers to learn that an Association of the Managers of Life Assurance Offices has just been founded in Holland, and is incorporated by royal resolution of August 1st last. I believe the association includes twelve offices.

It is formed somewhat on the lines of the Association of the Managers of the Scottish Life Assurance Offices, and my correspondent in Amsterdam describes its "first and cardinal rule" to be that the "association will never be allowed to interfere with the freedom and enterprise of any office, but that it will only act as a purely consulting body."

Mr. Blankenberg, of Amsterdam in a paper which he read at the first meeting held last month refering to similar associations at present existing in Europe, stated that the Scottish Association is the oldest, having been founded in 1837; that of Germany was founded in 1869; of France in 1876; of Austria in 1881; of Scandinavia about 1885; and that of Holland in 1887.

I am, yours faithfully,

Wm. Finlay.

26 St. Andrew Square,
Edinburgh, Dec. 6, 1887.

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The *Life Assurance Agents' Journal* is published at Manchester, England. It is the official organ of the National Union of Life Assurance Agents, established in August, 1884, and registered in 1886. The objects of the Union, as set forth in the *Journal*, are:

To improve the condition and protect the interests of life assurance agents.
To obtain and maintain a reasonable rate of remuneration.
To settle disputes by arbitration, or failing it, by other lawful means.
To provide legal assistance for its members when necessary.
To promote a better feeling among life assurance agents.
To provide superannuation in old age.
To obtain compensation for its members for all improved business in case of resignation or dismissal.
For the purpose of agents meeting in conference to discuss questions appertaining to their trade and calling, and for the social and moral elevation of its members generally.
To assist its members by a weekly allowance, in case of illegal dismissal from their agencies.

We quote the objects for the guidance of life agents or others desirous of establishing a union or other such organization in Canada.

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Elsewhere in this issue will be found the first annual report of the Manufacturers' Life Insurance Company, and a remarkable report it is. It contains only the business of the first five months of the company's existence, that is, from August last, when the company began business, to 29th December, both inclusive. In that brief term the business done exceeds that done by any other new company in the same length of time. It is a volume of business that might well be considered a heavy year's work by the average company of long standing. The report states that 1,035 applications were received for insurance amounting to $2,878,000, that 919 of these were accepted for $2,564,500, that applications for $119,500 on 81 lives were declined, and that applications for $115,000 were in course of being completed at date of report, 29th December, 1887, when the books were closed for the year. In the absence of detailed statements, the account forms usually given in annual reports of the transactions, which we understood were given to the meeting, the report now before us is only of a general character, and can be dealt with only as such. The details we note as absent, probably will be in the superintendent's report when it appears, and we suppose these will be full and satisfactory. The meeting was held in the Board of Trade rooms and was a very large and respectable assemblage of officials, proprietors and policy-holders of the company. A reading of the report to which we refer will inform the reader of the transactions thereat. Everything was conducted in good style. Great satisfaction was shown in regard to the remarkable amount of business done and the utmost confidence was manifested in the stability and continued progress of the company.

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The twenty-fifth annual report of the Waterloo Mutual Fire Insurance Company, published in this issue of The Budget, shows that the business done last year, though large, was not profitable. The expenditure equalled the income, the premiums and other items being $114,650.75, and the expenditure $115,902.74. But this result was not disastrous, nor was it even much of a loss to the company. The fire losses amounted to $75,784.06, say 71 per cent. of premium income, a rate which, though heavy, very many of the companies would gladly put up with instead of the rates that unfortunately for themselves they have to be content with. Last year was very severe indeed on a large number of the fire in surance companies. The Waterloo is in a good, sound condition to do battle with the fiery element, for it will be noted that the report shows a balance of $198,080.41 assets over and above all liabilities. To use the language of the report, it may truly be said that "in every respect the standing of the Waterloo Mutual is such as to entitle it to the fullest confidence of the insuring public."

Communications.

COMMISSION.

To the Editor of The Budget.

Sir,—I am sure I would fail in my duty did I not give utterance to my sympathy with you in the views you have so often and so well expressed in regard to the bad results following the making of commissions the basis of remuneration to agents.

Your references on this subject have of course been mainly to fire insurance, but I can assure you that equally ill results are following the same system in life insurance.

I hope you will continue your advocacy of what I feel is a better plan, and that at no distant date both the fire and life insurance interests may feel the benefit which I am sure a change will bring about.

Yours, etc.,

J. K. Macdonald,

Managing Director Confederation Life Association.

Toronto, January 4th, 1888.

CHEAP INSURANCE PLAN.

To the Editor of The Budget.

Sir,—I regret to have to trouble you again, but what am I and others to do when we wish information on so complicated and mysterious a business as that of life insurance. The only persons who seem capable of understanding it are the educated agents of the various companies, and it very frequently appears to me that very many of these know a good deal more about other companies than they do about their own, or the true principles of life insurance.

Several others and myself, who are policy-holders in the Federal Life, upon what they call the Homans Plan, will be greatly obliged if you will kindly explain to us the important points of difference, if there is any, in the principles between the plan above referred to and the following, viz: that known as the Commercial Plan of the North American Life, also a cheap plan practised by the Temperance and General,