agent is to be allowed in each Province, and no company or general agent shall allow any commission or consideration in excess of 25 per cent. on gross premiums on any personal accident policy. The commission to be paid on the premiums of employer's liability, elevator, open, and collective policies, shall not exceed 20 per cent. to local agents or brokers, and upon street railway risks 10 per cent. on premiums of less than $4000 and 5 per cent. when premiums are over $4000.

On and after the 1st of November next, no accident policy is to be issued at a less premium for $5 for each thousand dollars of insurance, in the event of accidental death, with $5 weekly indemnity, and no policy heretofore written at any less rate shall be renewed on and after the 10th of December next, except at the increased rate of $5 for each $1000 level insurance. A scale of penalties was adopted by the Association for rebating, or taking risks at lower than the rates of the manual.

Although much is said against combines, it cannot be questioned that such an association as the Accident Underwriters have formed is in the public interest, as well as their own, for it will do much to give greater stability to the companies, and thereby increase their power to discharge those obligations which are imposed upon them by the nature of their business.

SPECULATION IN LIFE ASSURANCE.

The average reader, when he sees the above title, will at once think of fraud, poison, and graveyard policies. He may perhaps consider that speculation in human life has been in this generation confined to Pennsylvania co-operatives of unsavory memory, and that it is now practically a thing of the past, having been stamped out by the strong arm of the law. An odd case which comes to light now and again in the criminal courts, such as the recent one at St. John, N.B., is merely, in his opinion, an exception, which by the prominence given to it proves the rule that speculation in life no longer exists to any appreciable extent. But further and more careful reflection may possibly cause him to view the matter differently, and convince him that there is a considerable amount of such speculation going on continually in a quiet way beneath the placid surface of every-day life assurance transactions. Let us take one group of assurers as an illustration. How many hundreds, possibly thousands of men assure their lives every year at ages sixty or sixty-five, or even older! No doubt most of these people have some good and valid reason for entering into the contract; but is this true of all of them? What is there to induce a man of sixty-five to assure? His children are as a rule grown to manhood or womanhood, and no longer require the protection of a policy on their father's life. Neither is there any need of an endowment assurance, for at sixty-five the productive period of a man's career is almost over, and the old age for which an endowment was intended to provide has already arrived. Usually the old-time energy has begun to decay, and the earning power is being steadily reduced. But even if this be not so, it is at best but a few years until hard work must of necessity be abandoned. If he takes out a policy now, he assumes an annual burden which will certainly become very irksome in the near future, not only to him but to his family. The payment of the premiums will almost inevitably fall upon the children. Under such circumstances the death of the father would no longer be a financial calamity but an actual money gain to those who formerly were dependent on him, but on whom he in turn will soon be dependent. The original idea of life assurance is that of indemnification against loss, and when this is departed from, it becomes mere speculation in human life. And by what other name can we call the assuring of the life of a parent in whom the children have no longer any financial interest? Does the fact that they are related to the life assured alter the character of the transaction?

The following specimen case came recently under our notice: An application was received by a Canadian company for a policy of $1,000 on the life of a section foreman on a railroad, aged 73, payable to his daughter who was married to a telegraph operator. Correspondence elicited the fact that other policies to the amount of $1,500 already existed on the life, and that still further assurances on the same person were contemplated. It was also found that the moving spirit in the affair was the husband of the beneficiary, and there is little doubt but that he expected to pay the premiums. Those premiums would have amounted to over $500 per annum, or fully as much as the total wage earnings of the applicant when in the prime of life. What was this but a clear case of speculation, though the beneficiary was the daughter?

It may almost be accepted as an axiom of the business that speculative risks will on the whole prove unprofitable. The companies can hardly hope to compete successfully with the relatives and neighbors of the lives assured, who know every peculiarity of their constitutions and are able to detect the first signs of waning vitality more successfully than most medical examiners, who as a rule have not that intimate personal acquaintance. The necessity, therefore, for a searching enquiry into the moral hazard in connection with elderly applicants scarcely requires further emphasizing. There are beyond question large numbers of excellent lives to be assured at even the highest ages, but the wheat needs to be winnowed from the chaff. The published mortality experiences of several of the large companies show the traces of adverse selection at the extreme ages resulting in excessive mortality, but it is satisfactory to know that in the combined experience of the thirty American life companies and in that of the twenty British offices which contributed the facts for the H^m table, this peculiarity is not noticeable. From this the conclusion may be drawn, that while individual institutions have been imposed on, yet the companies as a whole have been able by careful management to protect themselves. Eternal vigilance is, however, the price to be paid for a favorable mortality.

The speculative feature assumes more or less pro-