

income, for the first six months of this year, exceeds expenditure; 157 companies took \$28,628,000 in fire premiums and paid out only \$16,445,000 in losses. While in the year 1879 there were 172 companies in the business, which, with fire premiums of \$22,861,000, paid only 17,265,000 of fire loss. The total expenditures of 1879 exceeded the total receipts by \$4,361,000, being \$32,930,000 against \$28,569,000 received. Marine losses, ocean and inland together, are again in excess of premium receipts in 1881 as well as in 1879, but in 1880 the reverse was the case. The figures show this year in the aggregate an increased net surplus and a considerably increased total of assets: and the improvement in premium rates is perceptible, while there has not been a corresponding rise in the amount of loss. All of which is comforting. The "foreign companies," among which are those of Canada operating in the United States, the British American excepted, whose report does not appear, have had a better year in the States as to fire business than either previous twelve months. We append a condensed statement for six months of 1880 and 1881:

Assets	\$154,199,079
Unearned premiums.....	42,044,185
Unpaid losses.....	5,210,776
Other liabilities.....	2,435,159
Capital	63,485,020
Total liabilities	113,175,140
Surplus	41,023,934
6 mo's fire premiums	28,628,682
" Fire losses	16,635,784
" Marine premiums.....	2,848,497
" Marine losses	2,456,601
" Interest received	3,175,505
" Other income.....	277,478
" Total income.....	34,480,162
" Dividends paid	3,227,282
" Other expenditures	11,401,532
" Total disbursements.....	33,731,202
Fire loss ratio.....	58.1
Marine loss ratio	104.6
Expense ratio	39.8
Fire and expense ratio.....	97.9
Net surplus, per cent.....	64.6

Losses and expenses have absorbed 97.9 per cent. of the premiums received during the six months, leaving only 2.1 per cent. to the credit of a half-year's operations. Nevertheless, says the *N. Y. Bulletin*, the companies, altogether, have about \$165 for every \$100 of capital invested by stockholders, and a policy-holders' surplus of \$104,508,959; which, surely, has a very reassuring look for holders of policies, even if, as appears, stockholders have to look for dividends mainly to the interest account and not to the underwriting transactions. "Meanwhile, the last half of the year has been entered upon in a somewhat fiery and fearful fashion, which leads to doubt if, in December, the average exhibit will be as good as this of July."

LIFE INSURANCE—WHAT KIND?

Intending assurers upon the co-operative plan should in all seriousness read the experience of the Indiana Masonic Mutual Benefit Society, which for some nine years has been doing a life assurance business on the assessment plan. We are informed that, its membership being confined exclusively to Masons, it has been conducted with undoubted honesty and average ability. The President, Mr. Woollen, submitted as a part of his address the following facts and advice at the ninth annual meeting, when he made the plain admission that "Many intelligent men doubt the permanency of societies formed upon the plan of the Masonic Mutual. Indeed it is the almost universal opinion of insurance experts that such societies are necessarily short-lived, and contain within themselves the seeds of dissolution." This subject has caused me," says the worthy president, "much thought and no little anxiety," and he adds:

I know that the Masonic Mutual has heretofore performed all the functions of a reliable insurance company at a much less cost than the average cost of the protection such societies give. It has paid its losses promptly, and now has the funds to satisfy all its obligations, matured or contingent. Can it in the future do what it has done in the past? There is the question that confronts you to-day. To ignore it would be folly; to meet it is your duty.

The average age of your membership is a fraction over forty-six years. It must be kept at that rate or brought lower, else the society's future is pregnant with danger. Should the average reach fifty years, it will be so heavy as to sink the society. We cannot stand the cost which an average age of fifty years would entail, for the cost of remaining in the society would then be greater than the cost of obtaining an equal amount of insurance from a regular life insurance company. I need not tell you that such a condition of affairs would be fatal to our society. You know as much without my saying it."

Upon the question whether the average of the society's members can be maintained at its present figure or reduced, Mr. Woollen has thought deeply, "If this can be done," he concludes, "the society can live: if not, it must die." This is at least frank, and what is more to the purpose, it is true. It is manifest from the report of the committee that members of the fourth class do not pay the cost of carrying their insurance. And the consideration that if this class continues to increase and the other classes to diminish the end will soon be reached, causes the president to ask: How can such a calamity be averted. He continues:

Young men may die; old men must. This is the law of God, and cannot be suspended or repealed. Therefore the way for the admission of young men into our society should be made easy; the entry of old men into it should be made difficult. If a young man gets out of your membership; and is in good health, get him back, if you can; if an old man drops out, let him

stay. Such a course would seem uncharitable and cruel, but it is a necessity if you would live. This policy, if undeviatingly pursued, will keep down the average age of your membership, and enable the society to continue its beneficent work.

I speak to you thus in no selfish spirit; my own age is over fifty years, and I may be properly classed with the old men of the society. Whatever will affect them will affect me; but I love the society too well, and have its good too much at heart to be influenced in my recommendations by personal considerations. I want the society to stand; I want the edifice which I helped to build, whose corner-stone I helped to lay, to stand as long as Masons die, and widows and orphans are made. I know the good work it has done, and I want it to continue.

The faithful pilot tells his officers and crew of the breakers which lie in the pathway of his ship, in order that they may be avoided; so, my brethren, I have in my feeble way shown you the dangers which lie before us, as they appear to me. I could not ignore them; I have not magnified them; and, having brought them to your notice, my duty in the premises is done."

A SURPLUS OF REVENUE.

Canada now enjoys the benefit of a comfortable surplus (over \$3,000,000). She has had several deficits and feels the change all the more on that account. A large surplus is not a normal state of things, any more than a large deficit. The former is the more welcome since it gives no shock to credit. But it is not without its danger, as a temptation to extravagance. The best condition of the finances is that in which the equilibrium between the revenue and the expenditure is as nearly as possible maintained. But as this cannot be done, it is desirable to strike a balance, in a series of years, and make ordinary revenue pay ordinary expenses. If this average be maintained, in a considerable period of years, temporary deviations on the one side or the other, become of little or no importance. It is the belief this the balance is inclining all one way, and that the wrong way, that causes uneasiness. When deficits are paid out of capital, as a rule, surpluses should go to augment capital, or, what is the same thing, reduce capital obligations. We have not yet got an intelligent rule whereby to govern ourselves in these aberrations from the normal standard. But it is desirable that such a rule should be adopted and adhered to.

QUEBEC SHIPPING—INWARDS & OUTWARD.

—We find in the *Quebec Chronicle* a table, prepared by Mr. N. G. Belleau, of the Customs, shewing the inwards and outwards tonnage of the port of Quebec for the period between the opening of this season's navigation and the 30th June. From this it appears that, in 1881, there were 275 vessels of all kinds entered inwards, with a tonnage of 289,701 tons, as compared with 341, of 349,016 tons, in the same period of 1880.