

AT THIS WRITING it seems altogether likely that demagogery will prevail in the Massachusetts legislature, and defeat the efforts of the leading business men and public-spirited citizens who have earnestly sought to make an end of the assessment endowment swindlers. The best men in the Commonwealth have stood by Insurance Commissioner Merrill in his heroic attempt to blot out what its honorable citizens feel to be a disgrace, and strong men have not been lacking to introduce and advocate in the legislature bills looking to the extinction of the whole brood of confidence operators, who exist only to rob the credulous uninformed masses for their own personal benefit. Last week a preliminary vote was had in the lower house of the legislature on what is called the Powers bill, which is a little worse than the present law, and 128 members voted for it and only 78 against it. We do not suppose that a half dozen of those casting an affirmative vote failed to perfectly understand that they were voting to perpetuate a system of swindling, but they are politicians catering for votes, and were brought to believe that a combination of these concerns would be made to defeat them at the next election if they voted against them. Such a condition of legislative probity is both dangerous and disgraceful anywhere.

THE NEW YORK REPORT on the business of life insurance in 1891 shows an increase over 1890 in insurance written, by 29 companies, of \$47,545,055, as against an increase in 1890 over 1889, by 30 companies, of \$94,614,542—a falling off in increase of \$47,069,487. The increase in premiums for 1891 was \$13,070,495, against an increase in 1890 of \$16,391,085, a difference of \$3,320,595. It is somewhat curious that though the amount written in 1891 shows a less increase over the previous year by over \$47,000,000 than the 1890 issues, yet the increase in number of policies for 1891 exceeded the increase of 1890 by 1,136. The increase in insurance in force for 1891 was \$331,278,038, and for 1890 \$398,366,365—a falling off for 1891 of \$67,088,327 in amount and 2,352 in the number of policies. The total terminations in 1891 were 192,690 in number of policies and \$597,133,903 in amount, against 152,655 policies and \$482,409,124 in amount in 1890, an increase in terminations of \$114,724,779. That this increase was largely due to increased lapses and surrenders will appear when we state that over 76 per cent. of this increase, or more than \$87,000,000, was due to lapses and surrenders. Financially, the comparison of increase is in favor of 1891, during which the assets increased \$66,174,092, as against \$56,285,038 in 1890. The surplus in 1891 also increased \$7,617,545, while the increase in surplus for 1890 was \$1,994,336. From the above comparisons several lessons may be drawn.

AN EMINENT GERMAN authority, Dr. Bode, bears testimony to the working of the compulsory insurance laws in Germany as follows: "We are sick of the insurance laws. I mean that the majority of Germans would give much to get rid of them in a decent way; but, unhappily, there is no decent way, for a simple

repeal is scarcely possible, because the laws have created millions of claims, and it is only natural that our politicians do not like to confess before the whole world that they have been fools, and that this grand German work of social reform, which we praised so loudly as a model for all nations, was only a great mistake."

ANTI-REBATE LEGISLATION CRITICS.

Trade journals of this city, whose recent utterances have evidently been inspired from the same source, enjoy the unenviable distinction of advocating the unrestricted right of life assurance companies to "discriminate between persons assured on the same plan, who have the same expectation of life, and are equally eligible, in the amount of premium charged, in bonus distribution, etc." (see 26a of Bill here referred to). In the course of recent articles expressing satisfaction at the defeat of the Insurance Bill introduced at Ottawa, by Mr. White, designed to prohibit rebates of premium and to regulate the status of agents, the journals above referred to argue squarely for the right of life companies to make flesh of one member and fowl of another. Whatever objections may heretofore have been urged against anti-rebate legislation, these are the first utterances in cold type which, so far as we know, have ever appeared in favor of the right of an institution, whose fundamental principle is mutuality and equity between all its members, to favor some at the expense of all the others! That such discrimination as is here referred to is fundamentally wrong is so plain a proposition that some twenty of the States over the border have already enacted laws giving legal sanction to that proposition. This legislation has been perfected at the instance of the officers of companies and of the vast majority of agents (composing more than a score of life underwriters' association), because the discrimination made by rebates is destructive of that equity and mutuality without which no life company can long continue to exist. This confiscation doctrine of our contemporaries will doubtless be fully appreciated by the companies in the Dominion whose managers have heartily endorsed and earnestly labored for the passage of the defeated bill.

LAPSES AND SURRENDERS IN LIFE ASSURANCE

It is one of the inevitable features of the business of life assurance that a certain percentage of the assured will, for good or bad reasons—generally the latter—annually drop out of the company they have selected, and abandon their policies. The practice now common among the companies of giving some consideration, in the way of surrender value, to the withdrawing member after three annual premiums have been paid, practically limits lapses to the first and second years of the life of the policy, a very large portion being during the first year, especially on semi-annual premium policies. There will always be a small percentage both of lapses and surrenders which are of necessity rather than choice, misfortune or unexpected occurrences, making lapse or withdrawal unavoidable. The great bulk of these terminations, however, is not only volun-