tent successful. One of the most extraordinary of their grounds of attack has been the rapidity of the construction of the work, which has proved of such immense public benefit.

It will be perceived at once by those who inquire into the subject that any assistance already given, or which it is now proposed to give, to the Canadian Pacific Co. is to be a preferential claim on the railroad over the capital invested by the shareholders. Under the very worst conceivable circumstances the Government will acquire the road, in which the shareholders have invested a very considerable amount of money, estimated, as we have already stated, at the minimum amount of $30,000,000. Under the circumstances, which were totally unforeseen at the time, the importance of the early completion of the railroad can hardly be over-estimated. We learn by a contribution to the Toronto *Week* from Washington that, if the Government had been weak enough to have listened to the appeals made by the Opposition and had solicited permission from the Government at Washington to send the troops over the United States railroads, it would have been refused. Fortunately no such request was made, and we have now an assurance that there will be very shortly a complete line from the Atlantic to the Pacific through our own territory.

It is deeply to be regretted that such persistent violent attacks are made on the Pacific Co., and without even the shadow of foundation. As far as the security goes it is obviously a matter of no importance whatever whether the Government hold as collateral security a number of shares of stock of the par value of $35,000,000, secured by the whole property of the company or the proposed amount of bonds secured in the same way. The interest of the Government and people of Canada and of the shareholders in the Pacific Co. is identical. It is desirable in their common interest that the money necessary to complete the road should be raised on the most advantageous terms possible, and the company do not object, if they accept the proposed resolutions, to give the Government a prefential claim on their property. It is to be hoped that it will be found possible to avoid the construction of a new line to Quebec, which would be simply a waste of capital, very similar to the waste caused by demands from the same interest when the Grand Trunk obtained the postponment of its debt to the Government.

THE CO-OPERATIVE LIFE SYSTEM.

The current reports of the commissioners of insurance for the various States of the neighboring Union deal at some length with the co-operative or assessment plan of "life insurance." The remarks of Commissioner Williams of Hartford, Connecticut, are so much to the purpose that we give them in full:

"In lieu of a uniform annual premium, this class of companies charge an entrance fee and annual, quarterly, or monthly dues to cover expenses, and make assessments from time to time to provide for the death-claims of the current year. In so far as they undertake to accumulate a reserve fund to meet future losses, they violate the fundamental principle of the scheme, which is that such fund is an unnecessary tax upon, and overpayment by, the assured. This provision for the future by the uniform-premium offices is the very *raison d'etre* of the co-operative offices. Their distinctive plan consists in the office demanding no more than will supply the wants of the present, leaving that considerable portion of the ordinary premium, which, in the early years of the policy, makes up a reserve, in the pockets of the assured, to be drawn upon from year to year by annually increasing assessments."

"All properly conducted assessment companies fix their yearly assessments strictly according to the respective ages of the members and the year's risk at those ages. All grouping of different ages for a like assessment is inequitable, and therefore objectionable. For the younger ages in the group pay not only for themselves, but also in part for the older ages. It matters not whether the assessment be large enough to cover the risk of the eldest age in the group, or only sufficient to cover the average age; in either case the younger are overcharged.

"For the purpose of illustrating the payments that a whole-life policy-holder would make on the two diverse systems above described, a table follows (based upon the Actuaries' rate of mortality and interest at four per cent.), showing the uniform annual net premium on $1,000 that is charged by the one kind, on a person aged twenty-five years, and the varying assessments that must be made by the other kind to meet the losses, as the age of the person increases as indicated in the first column. To the net premium here given, a margin of twenty or thirty per cent. is added to cover expenses. The assessment offices have the same expenses, which are paid by entrance fees, dues, etc. Hence the premiums or assessments here given represent the sums needful to meet the death claims:—

Age when Assured=25.

Age	Uniform Annual Premium.	Varying Annual Assessm't for a Year's Risk.	Difference
25	$14 72	$7 77	— $6 95
30	14 72	8 42	— 6 30
35	14 72	9 29	— 5 43
40	14 72	10 36	— 4 36
45	14 72	12 21	— 2 51
50	14 72	15 94	+ 1 22
55	14 72	21 66	+ 6 94
60	14 72	30 34	+ 15 62
65	14 72	44 08	+ 29 36
70	14 72	64 93	+ 50 21
75	14 72	95 56	+ 80 84
80	14 72	140 41	+ 125 69
85	14 72	205 10	+ 190 38
90	14 72	323 73	+ 309 01
95	14 72	584 27	+ 569 55
99	14 72	1,000 00	+ 985 28

The above tabular scale signifies that the portion of the annual office premium (for assurance on a person aged twenty-five) which is required in order to provide for the payment of $1,000, when it shall fall due, is $14.72, and this payment is uniform through life. And that the assessment which would make good the average amount of a year's losses on persons aged twenty-five must begin at $7.77 on each $1,000 certificate, and go on increasing yearly to the end. The excess of the former over the latter constitutes the foundation of the reserve, being the amount overpaid beyond the cost of the year's assurance. The first year the premium is nearly double the cost of carrying the risk. At age thirty the annual assessment has increased to $8.42, and at age fifty it exceeds the level premium. Thereafter it grows rapidly, almost doubling in the next ten years, and becoming at eighty nearly ten times the premium. When it is considered that in both cases the payments must be such as to amount to $1,000 at maturity, the claim that insurance for life can be furnished at a smaller cost under one system than under the other is disposed of as a fallacy. This claim is persistently put forth as an inducement to insure on the new plan, and has become, to some extent, a popular delusion."

There is another point, however, wherein the modern system gives a seeming advantage to the holder of a life policy. By referring to the example it will be seen that on the old plan, in the case