

As an instance of a company ceasing to transact new business, and winding up its affairs, we may mention the case of the Argus Life, of London. This company was in a perfectly sound position financially; but owing to a disagreement among the shareholders, it decided many years ago, to write no new policies, and merely work off the business it then had. Fifteen years ago, its reserves were nearly \$2,500,000. There have been steady drafts on these, however, to make good the deficiency in the premiums as the record of the past few years will show.

Year.	Premiums.	Claims.	Drafts on Reserves.
1884.....	\$75,725	\$215,920	\$140,195
1885.....	68,580	227,285	158,705
1886.....	63,830	104,635	40,805

The reserves are now reduced to about \$1,500,000, and in course of time will be entirely exhausted. But by means of them, the company will have been enabled to pay all its claims in full. There is no assessment or Homans' plan company in existence which could stop issuing new policies and wind up its affairs in this way.

But if the level premiums, which amount on the average to between \$25 and \$30 per \$1,000 are insufficient to provide for all the death losses, what is to be said of the claim of the assessment societies that a mere fraction of this amount will be quite enough? We were even told formerly, that the rate of mortality in a life assurance company would never exceed \$6 or \$8 per \$1,000 assured. These figures were, however, gradually increased to \$10 and now to \$12. The only ground on which this claim is based is that the latter rate has hitherto been sufficient to cover the losses of most of the Canadian and American life companies. These people entirely ignore the reasonable objection that as life assurance is yet in its infancy on this continent, and the companies they refer to are wonderfully progressive and have but few old lives on their books, their mortality must unavoidably be light for some time. Though their members are mostly young now, that will not prevent their growing old, and as they do grow old the claims will and must come in with greatly increasing rapidity. Our readers may perhaps be somewhat incredulous, when we state that about one half of the risks on the books of the American and the Canadian companies are on the average of less than five years duration. On referring to the American Government returns, we find that the aggregate amount of business in the year 1878 was \$1,444,000,000, while in 1888 it had reached \$3,173,000,000. The aggregate at risk in Canada in 1878 was \$85,000,000, while in 1888 it was \$211,000,000, an increase of \$126,000,000.

But why need we theorize on the subject? Let us again turn to England, where the companies are longer established, and where the true rate of mortality, which will inevitably be felt in time by every life assurance office, can be better seen. The following table is compiled from the British official returns, and includes most of the British companies. We could greatly increase the number, were it not for the fact that it is not the custom in England to publish the amount of assurance in force, except in connection with the valuation of policies every fifth year, and thus we do not know the figures of several prominent institutions which we would have liked to include. The list given is however a representative one.

YEARLY DEATH CLAIMS OF BRITISH LIFE COMPANIES.

Company.	Year ending	Total amount assured.	Death Claims.	Rate per \$1,000
Scottish Equitable.....	1889	\$52,868,510	\$1,072,320	20.27
Alliance.....	1888	28,096,730	570,413	20.30
Gresham.....	1888	81,824,369	1,095,794	20.73
Guardian.....	1888	37,768,325	826,377	21.60
Metropolitan.....	1885	25,983,300	569,730	21.92
Northern.....	1885	31,147,355	734,975	23.60
United Kent.....	1887	4,504,583	107,720	23.94
London Life.....	1886	48,166,080	1,167,223	24.20
Hand in Hand.....	1886	22,772,680	558,484	24.53
English & Scottish Law.....	1885	21,485,806	532,672	24.79
Universal.....	1886	13,592,541	344,718	25.35
Caledonian.....	1885	15,053,486	391,705	26.03
North British & Mercantile.....	1885	58,446,342	1,532,245	26.55
Clerical, Medical & General.....	1886	34,248,227	914,832	26.71
Clergy Mutual.....	1889	40,420,855	1,127,315	27.90
National Provident.....	1887	55,253,280	1,645,870	29.79
London Assurance.....	1885	24,843,540	750,751	30.22
Atlas.....	1887	16,250,000	511,580	31.50
Standard.....	1888	104,023,345	3,274,110	31.50
Mutual.....	1885	13,460,025	424,692	31.55
Rock.....	1888	18,970,135	631,718	33.30
Church of England.....	1887	11,044,345	369,115	33.44
Pelican.....	1885	15,898,825	552,818	34.75
Economic.....	1887	46,500,000	1,641,715	35.30
Royal Exchange.....	1888	24,000,000	873,685	36.40
Scottish Provincial.....	1887	24,370,825	445,705	36.53
Legal & General.....	1886	24,633,482	946,587	38.51
Norwich Union.....	1886	23,611,032	926,595	39.24
Eagle.....	1887	36,849,745	1,547,140	42.04
West of England.....	1888	13,700,000	672,470	49.10
Equitable of England.....	1888	28,000,000	1,605,056	57.30
Law Life.....	1886	35,500,000	2,074,375	58.60
University.....	1888	9,500,000	603,240	63.50
Amicable.....	1885	1,300,000	111,450	86.00
Argus.....	1885	2,400,000	227,285	94.70

It must not be forgotten that the above rates are the averages, and cover all the lives, both young and old, assured by the companies. When we remember that a large proportion of the policies in these companies are on the lives of young men, with a mortality of say \$10 per \$1,000, we see at once that the rate prevailing among the old members must be enormous. What assessment or natural premium society could stand this strain? If the cost of insurance were distributed according to present age, the old lives would have to pay premiums of \$100 to \$200 per annum on each \$1,000, and this for temporary assurance only! They could not do this, and the society would at once collapse. If on the other hand, the cost were not distributed according to age, the younger members would not consent to pay perhaps \$30 each year, for a term policy, when they could get as good or better elsewhere for a fraction of this price. The result in this case too would thus be ruin. There is no permanency except by means of ample reserves on which to draw to provide for the excessive mortality in the later years of life. And that is exactly the level premium plan.

THE MANUFACTURERS LIFE INSURANCE COMPANY.

Some months ago we took occasion to utter some words of caution to the directors of this company, and on that occasion pointed to the necessity for a vigorous business-like policy in the management of its affairs.

It was clear then, as now, that the men controlling it, while undoubtedly level-headed and capable men in the