ity to death which each year added to every member's age imposes upon an association. The laws of mortality, as well as the statutes of Canada, of the States, and of Great Britain, require this to be done by every association which contracts to pay a fixed sum at the death of any individual. Members of co-operative societies sometimes imagine they are getting their lives insured at a very cheap rate, because, as in the case of the Foresters last year, it only costs survivors $11 for each $1000 paid to the deceased members. But if their eyes could be opened to see that the assessments they paid were small compared with the liability they had incurred, they would not feel so well satisfied.

As well might a man say his suit of clothes had cost him only $11, and feel elevated at its cheapness, while the tailor held his note for an additional $11, the purchase price being in reality $22. As well might a farmer deceive a friend with the idea that he bought land, worth $50 an acre, for $25, when in reality a mortgage had been given on every acre of it for an equal additional amount. Such statements made by working men, about their clothing, or their board, or by the farmer about the cost of his land would be deemed in the highest degree reprehensible. But such statements form the chief capital on which co-operatives thrive. The chief officers of two of these recently contrasted the small assessments made per $1000 with the premiums charged by life insurance companies, as if the article furnished were, in both cases, the same.

To shew, from the records of actual experience, how light death losses ought to be for the first few years after all the members have just come from the medical examiners' hands, and how large an amount needs to be laid aside to meet the mortgage which death acquires by the increasing age of the members, we give the figures of a Montreal and a Toronto life insurance company respectively for their three first years. Neither of them had a death in the first year:

	Death Losses Paid.	Placed in Reserve.
Confederation,	$7,000	$81,913
Sun Mutual	9,000	about 80,000
Totals,	$16,000.	$161,913.

A little over $10 was the liability incurred, for each dollar actually paid for death losses during those three years. As a society grows in age, the deaths grow more frequent, and the amount required to be added to the Reserve Fund does not seem so great, proportionately. For instance, up to the date of their last reports, closing their seventh years, the above-mentioned life insurance companies had disbursed for death losses $143,166, and held in their Reserve $579,790, or four dollars for every one dollar disbursed. In other words, and to speak familiarly, Old Mortality called for $143,166 in cash during the seven years, and holds a mortgage for a balance of $579,790, which experience teaches us he will surely require, (less a few endowment amounts), from every association of men, of equal numbers and ages to these, organized for the purposes of life insurance.

The above is, in brief, the history and condition of every ordinary life insurance company, with little variation. And so long as they use ordinary care, and continue to provide the necessary Reserve, life insurance societies can be confidently depended upon to pay the last surviving member's death claim in full as promptly as the first one.

But it is entirely different with the so-called co operative associations. They not only assess their members in the most glaringly unjust and inequitable manner, but make no provision whatever, by way of a Reserve, or otherwise, for paying anything to the last members, when winding up, though these may have been contributing members from the inception of the society, and have paid thousands of dollars in assessments. Every such association, built upon such unstable foundations, always has come to a speedy end in the past, and always will in the future. If there is no equity in the basis, there can be no permanence. In England, France, and Germany, such associations have had their day, and are now no longer heard of. And the same is the case in some of the neighboring States; while in others, and in Canada, they are still growing up here and there, deceiving a few ignorant people, only to disappear so soon as they have lived long enough to render the annual assessments anything at all approaching to regular life insurance premiums. When that point is reached, as it must be in a very few years at most, the healthy members will drop out, while the sickly must stay. Between frequent death calls among such a winnowed membership, and decreasing results at each death, the termination becomes wonderfully sudden. There is not even a deposit with the government, or an office building, to hold the members together, or satisfy a claim, after members cease to forward their assessments.

Such has been the past experience of these co operatives, and such it will continue to be, with more or less variation, whatever their names or their plans may be, so long as different ages are inequitably assessed, and no provision is made for the heavier mortality sure to be met with as the years of the membership increase.

BUSINESS LEGISLATION.

If we except the changes made in the tariff, the business legislation of the session which closed on this day week has not been of an extensive or important nature. Among the private bills which received the Royal assent are the following: The Consolidated Bank has its capital reduced and the number of directors lessened; La Banque Jacques Cartier also obtained consent to reduce its capital. The sale of the Toronto Savings Bank to the Home Savings and Loan Company has been confirmed, and an Act has been passed to amend the acts relating to banks.

The insurance legislation is of but little importance. The Quebec Fire Assurance Company has power to reduce its capital. The charters of the Canada Life and the Confederation Life Insurance Companies have been amended, and the North American Mutual Life has been incorporated. The Isolated Risk Fire Insurance Company has changed its name to the Sovereign Insurance Company of Canada. The powers of the Dominion Telegraph Company have been extended. An act granting an annual subsidy towards the constructing and maintenance of telegraphic communication to Anticosti and the Magdalen Islands is also passed. The London and Canadian Loan and Agency Company has secured some amendments to its charter, and the Ottawa Loan Company has its name changed to the Manitoba and North West Loan Company. An act has been passed providing for the liquidation of the affairs of Building Societies in the Province of Quebec. The law relating to trade marks and weights and measures has been changed; better provision for the protection, storage and inspection of petroleum has also been provided. We further find an act relating to the protest of inland bills of exchange and promisory notes in Nova Scotia; and the laws respecting duties imposed on promissory notes and bills of exchange have been amended and consolidated.

MUTUAL INSURANCE.

The Secretary of the Perth County Mutual has written to us complaining that we have done his Company an injustice in the reference made in a late issue to the reinsurance of that Company compared with that of the Ontario Mutual of Whitby. We merely stated a fact as shown in the annual statement made to the Ontario Government, by the Mutual Insurance Companies. In our reference to these two companies we said nothing as to the financial standing of either. Our remarks were solely directed to the different views taken by various companies as to the amount required to re-insure *all* their outstanding risks. The two companies we named as a standard of comparison were the Perth County Mutual and the Ontario Mutual of Whitby, companies presumably doing the same class of business. For convenient reference we here give the figures as found in the returns made to the Government.

	Amt. covered by Policies on the Cash system.	Am. required to re insure all outstanding risks &c.
Perth Co. Mut.	$557,000	$1735,58
Ontario Mutual	141,155	1102,19

It will be seen by the above that the re-insurance fund of the latter Company is in far larger proportion to the amount insured than that of the former. The total assets of the Perth County Mutual are given as $20.290,5 included $4029,27 still payable on premium notes. The total liability of the Company is given as; $17-40,40. As we understand the return, when the premium note capital is counted as an asset the liability under the policies issued on the premium note system should be also shown.

The amount at risk under the premium note system is.................$1,703,255