

four and a half per cent. A comparison of the business and funds for the five years past will show the general upward trend of the company :—

Year.	New Assurances.	Total net Premiums.	Invested Funds.
1887	\$2,894,450	\$659,985	\$2,674,160
1888	2,951,152	703,805	2,956,744
1889	3,131,625	754,092	3,298,075
1891	3,165,785	825,827	3,909,055

Attention is called to the fact that at the close of the current year the next quinquennial valuation of the company will take place, and the results are expected to be very favorable in the way of bonus distribution to the policyholders. As the accumulations have been for the five years in a uniformly ascending series and the expense ratio gradually declining, the expectation may be regarded as a justifiable one. Certainly, Mr. W. P. Clirehugh, the general manager, and his lieutenants at the home office and in the field may be congratulated on the past five-year record, which shows an annual average of \$3,112,183 in new assurances, \$768,907 in total premiums, and an increase of \$1,234,895 in the total funds.

With the growth and excellent condition of the company's business in Canada, under the skillful management of Mr. B. Hal Brown, our readers are familiar, for the London and Lancashire Life is now widely known and as widely believed in in all parts of the Dominion, and is constantly making new and fast friends. Manager Brown is fortunate in having his energetic plans cordially seconded by a board of directors, with Sir Donald A. Smith at their head, who are among Canada's best known and highly esteemed citizens, recognized as gentlemen of practical business affairs and demonstrated success. The future outlook of the company in the Dominion is certainly assuring.

MARCH FIRE LOSSES IN CANADA.

The fire loss in Canada for the month of March was exceptionally heavy and reached the large total of \$539,308, or more than the month's premium income. And yet there are sane people who keep on talking about the reduction of rates of premium. Following we give the larger losses as reported :—

Montreal.—N.W. Telegraph Co., \$6,300; Thibaudau Bros. & Co., \$20,500; Cie. Générale des Bazar, \$18,000; Maison & Brosseau, \$20,500; various smaller fires, \$13,700. *Toronto.*—Factory, \$11,000; J. & J. L. O'Malley, \$5,000; J. F. Copeland, \$3,500; various smaller fires, \$2,500. *Quebec.*—Laval University, \$8,100; J. Hamel & Co., \$4,500; miscellaneous, \$700. *St. Stephen, N.B.*—Three buildings, \$20,000. *Penetanguishene.*—Reformatory building, \$10,000. *Gladstone.*—Hotel and other buildings, \$9,000. *North Gower.*—\$35,000. *Peterboro.*—Brooks Mfg. Co. \$7,100; Mann Bros., \$12,000. *London.*—Public school \$9,500. *Kingston.*—Hotel, \$2,200; other fires, \$2,000. *Waterloo.*—Furniture factory, \$2,400. *Fort Erie.*—St. Paul's church, \$8,000. *Kensington, P.E.I.*—Store building, \$6,600. *Sarnia.*—P. H. Thompson, \$5,285. *Brockville.*—Daily and Weekly Times, \$3,500. *Yarmouth, N.S.*—Church and dwelling, \$12,500. *St. Andrews, N.B.*—Hotel, \$7,000. *Scarboro Twp.*—Farm property, \$7,000. *St. John, N.B.*—W. H. Thorne, \$5,000. *Bradford.*—Bingham's hotel and

others, \$75,000. *Point Edward.*—Sundry buildings, \$15,000. *Belleville.*—Pond's Hotel at Gilman, \$4,000. *Renfrew.*—Mackay & Guest and others, \$4,650. *Woodstock.*—Piano factory, \$35,000. *Lethbridge.*—Sundry buildings, \$3,000. *Owen Sound.*—Livery stable, \$3,000. *Bowmanville.*—Furniture factory, \$25,000. *Hectanooga, N.S.*—Blackadar's Mills, \$35,000. *Lacolle.*—Hay barn, \$5,000. *Clifford.*—\$6,000. *Moose Jaw.*—Sundry buildings, \$15,000. *Merriton.*—St. James church, \$2,100.

The fire losses for April will also be very heavy.

MR. FACKLER ON THE PROPOSED CHANGE IN THE RESERVE STANDARD.

We are glad to note that Mr. D. P. Fackler, the eminent actuary, has written a letter to the *Chronicle*, our New York contemporary, on the proposition made in some quarters for a change in the United States of the present reserve standard for most of the life companies, which is the Actuaries' 4 per cent. We have repeatedly contended that any change for some time to come is entirely unnecessary, and would be mischievous. We are content to keep company with so good an authority as Mr. Fackler, and especially pleased that he fully agrees with our position, that the one-half of one per cent. charge against interest account for expense of collection, looking after investments, etc., paraded by Actuary W. C. Wright and some others, is an ideal charge and an actuarial humbug. Mr. Fackler's letter is as follows :—

TO THE EDITOR OF THE CHRONICLE :—

SIR,—With regard to a higher standard of reserve—the question now mooted by the insurance officials of the United States—it seems very desirable that the whole subject should be discussed on broad and general principles.

It is particularly important to consider how far and in what manner legislatures have any legal right to alter reserve standards once enacted by them, and on this point a few words will make the matter clear.

The reserve for a policy is composed of certain accumulated amounts set aside yearly out of the premiums and interest realized on it. The reserve for a policy at the close of 1892 will be made up of the reserve at the close of 1891, with a certain addition drawn from the premium and interest received in 1892. Thus, reserves are *growths, not creations*, and it would clearly be illegal for a State to enact that companies, which for many years past have been reserving on one basis, should hereafter reserve on a higher basis, except for policies issued hereafter. Such legislation would practically require that companies should increase the reserves for past years *from what the former laws required* to what they would be on the new standard—and add the differences with compound interest to this time!

To extend the time for bringing reserves up to a higher standard five or even ten years might mitigate the evil, but would not make it less illegal. It is absolutely clear that States cannot legislate backwards in this way, *ex post facto* laws being unconstitutional.

The standard of reserve can be legally altered as to new policies; but even in this respect equity and common decency require that the companies should have due notice of any proposed change, so that they may have proper opportunity to alter their rates and their agents' contracts, if they desire to do so.

The question as to whether there is need for a change at this time and what rate of interest should be adopted—if there must be change—I cannot discuss at this time; but I would like to point out one error which has obtained some currency of late. I refer to the assumption that the actual rate of interest