

find, however, that the claim made that more than 6 per cent. was earned is correct. Leaving out of the calculation the companies doing mainly an industrial business and the natural premium companies, we find that the 25 remaining, as found in the New York Report, earned from interest, rents and sundry sources in 1889, \$34,419,658; and as the total mean amount of reserve was \$569,911,725 the resulting rate was 6.04 per cent. The Canadian companies did even a shade better than this. On total reserves, the mean amount of which was \$14,609,498, the earnings were \$933,304 and the per cent. realized 6.38.

GROWTH OF ENDOWMENT AND TERM ASSURANCE.

Time is the general equalizer in life assurance as it is in everything else. To the intelligent observer nothing is more apparent than that the scope of life assurance has broadened, and its contracts have become varied in detail materially during the past dozen years to meet a demand of the various classes of the people, arising not only from changed and still changing conditions, but because of a demand which has its root in a more intelligent appreciation of the functions of the business. This is especially true on this side of the Atlantic where society has fairly passed the stage of newness to enter upon a youthful maturity, with clearly developed wants and well understood resources, material and intellectual.

A survey of life assurance to-day, contrasted with the business of even ten years ago, reveals two interesting facts, viz.: that the demand for assurance as a form of investment has greatly increased, and that the demand for term assurance in some form—protection pure and simple for a limited period—has also marvelously grown. Of course industrial insurance is essentially a form of term insurance. Protection for the family at the lowest present cost is the demand of a vast number of people who must have it in that form or go without it. This broad fact explains why it has been possible for assessmentism in life assurance, with all its crudities and false principles, to flourish. Mistaking the imitation for the genuine, the people seeking for protection by economy of expenditure have been easily caught by the assessment plausibility. The fact that the assessment concerns of various grades are able to point to some six millions of alleged assurance in force in 1889 in the United States and Canada, distributed among some three million members, only shows that a legitimate want is being supplied by an illegitimate article.

The managers of the legitimate, level premium companies are beginning to comprehend the fact we have mentioned and to read its significant meaning, and some of them have adjusted and others are preparing to adjust their plans to legitimately and satisfactorily supply this want. Taking up the New York Insurance Report for 1889, and we find that nine companies which are now all writing a considerable amount of term assurance had in force on December 31 last \$54,992,266 of "other insurance," as distinguished from

whole life and endowment policies. This item of course mainly covers term assurance, and in this article will be so treated. Turning to the New York Report for 1885, giving the business of 1884, and we find that these same companies had in force term business amounting to \$21,411,693, thus showing a gain in five years of \$32,680,573 in this class of assurance. As the percentage of gain was a little over 150 per cent., while the gain in total assurance in force for the five years was 51 per cent., the large proportion of increase for this class of business will be seen. Six of the nine, which are distinctively known for liberal writing of term business, are the *Ætna*, the *United States*, the *Mutual Benefit*, the *Travelers*, the *Union Mutual* and the *Manhattan*. The following will show at a glance the growth of the business of these companies in the aggregate:—

Year.	Total Ins. in force.	Term Ins. in force.	Percentage.
1884	\$325,885,672	\$17,231,201	05.3
1889	427,038,626	46,642,310	10.9

It appears then that nearly 11 per cent. of the entire assurance in force belonging to these companies now consists of term business, and has more than doubled in percentage during the five years and \$29,411,109 in amount.

On the other hand, the demands of that class of people who see in life assurance a desirable investment have steadily increased with increased accumulations of money and decreasing opportunities for the realization of extraordinary returns from investment in securities or in business. Naturally endowment assurance has grown, but how rapidly it has grown is not generally realized. In order to show this growth and its proportions, we append the following figures embracing all the regular life companies reporting to the New York Department for the years named, giving in five year periods the life, endowment, and term business:—

	1880.	1884.	1889.
	\$	\$	\$
Ins. in force.	1,475,994,672	1,870,728,059	3,144,677,311
Whole Life	1,215,082,831	1,426,692,966	2,270,082,928
Percentage	82.52	76.26	72.18
Endowment	216,574,461	394,435,074	735,560,025
Percentage	14.67	21.84	23.59
Term	39,137,380	49,600,019	139,034,358
Percentage	02.66	02.65	04.42

These figures tell their own story and scarcely need comment. In this connection we desire to call attention to a somewhat common error among those who have not closely studied the reports. There is an impression that the large increase in endowment assurance follows to a great extent the enormously increased business of the three leading New York companies. This however is not the case. These companies had for 1889 a combined percentage of about 20 per cent. of endowments to total assurance in force, the general average, as above shown, for all companies being over 23 per cent. Taking all the New York companies and we find the endowment percentage to be as follows compared with the companies of other States:—

	Year 1880.	Year 1884.	Year 1889.
New York Co's.....	13.94	19.43	19.90
Other State Co's.....	15.47	24.25	28.04
All Companies.....	14.67	21.84	23.59