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LIFE ASSURANCE.

Although there are about sixty Life Assurance Companies and Societies in the kingdom, all of which are constantly making strenuous efforts to attract public attention to the peculiar advantages which they have to offer, it is a fact not less true than surprising, that the number of individuals who have availed themselves of life assurance in the United Kingdom of Great Britain and Ireland is not much above eighty thousand. Allowing twenty-five millions to be the population of the empire, and five persons to be the number of each family, it would thus appear that not more than one head of a family out of sixty-two has adopted this means of providing for the helpless beings whom he may leave behind him. If there were other means in abundance of providing for widows and fatherless children, we might be little surprised at this calculation; but when we consider that the case is quite the reverse—that few fathers have property wherewith to provide for a surviving family, that the number connected with the institutions which allow pensions to widows is necessarily small—when we consider, in short, that the great majority of men who have wives and children have nothing but an income depending on their own life and exertions between their families and want—we cannot but conclude that the expedient of life assurance is either unknown to a large portion of society, or knowingly neglected by them. In either case, a short paper explaining the subject, and enforcing its claims on the attention of husbands and fathers, may be expected to prove in some degree useful.

Life assurance was not practised in this country till the reign of Queen Anne, when "The Amicable Society" was established in London. At that period no inquiries had been made to ascertain the probable duration of life after any specified age: there was a general notion that life was uncertain at all ages; and, accordingly, for the first fifty years of life assurance the charges for insuring a certain sum were the same from all persons under forty-five! In time, however, it became known that a person at, we shall say, thirty, has a chance of living a longer time than a person at forty, and so on; and the consequence was, that, in 1762, "The Equitable Society" of London was established, on the principle of making charges in proportion to the various

ages of the parties. Since then, calculations as to the probable duration of life after any certain age have been made with more nicety, so that life assurances are now, and have long been, transacted on principles of exact justice to individuals, with respect to their ages.

Down to a comparatively recent period, life assurance was chiefly conducted on the ordinary principles of a mercantile speculation. A company, possessing a large capital, assured sums payable on the deaths of parties, at certain rates, calculating on a profit from their transactions. The sole advantage of this plan lay in the guarantee afforded by the capital of the company. It has been found that, by the plan of mutual assurance, all desirable security is afforded, while the profits are divisible among the only parties who have any right to them, the assurers. Mutual Assurance Societies are therefore rapidly supplanting Assurance Companies, most of which will probably in a few years cease to exist. In the present paper, we propose to confine our attention to the plan of mutual assurance.

Mutual assurance proceeds on the following simple principles. While it is an indubitable fact that nothing is more precarious than the life of an individual, seeing that a thousand dangers constantly beset him, it is an equally certain fact that, if we take so large a number as ten thousand persons, or even a smaller number, it is possible to say with almost unerring certainty how many of these will die during the next ensuing year, how many in the next, and so on, until, at about the age of 100, not one person remains. Thus Dr. Price, of Northampton, took 11,650 individuals, whose births and deaths were recorded in the proper books at that town, and found that in the first year 3000 died, in the second 1367, in the third 502, in the fourth 335, in the fifth 197, and so on, till the last man died at 96. Dr. Price consequently assumed that, of any 11,650 individuals who existed in the like circumstances, 3000 would die in the first year, 1367 in the second, and so on. It will be observed that the whole number who die in the first five years is 5401, leaving 6249 then alive: consequently, any one of the 11,650 children, at the moment of birth had a chance of living five years, equal to the proportion which 6249 bears to 5401, or somewhat more than a half. No man could say, at the moment, that any one of these ha-

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