

The Duty of Assuring One's Life.

Take the case of life assurance, for example. How many men put off this act until the spectre of old age makes itself visible—until they are forty or more! When one has none dependent upon him the assuring of one's life cannot be said to be a duty, but it can be said to be a matter of prudence to assure in anticipation of the probable obligations of the future. If life assurance premiums were not affected by the age at which a man assures, there would be removed one reason why a man should assure his life in advance of his need for protection, but the science of life assurance cannot ignore the age at which a man enters. Life assurance is not magical in its nature; it is a matter of arithmetic and algebra, and may be regarded as an exact science. If it undertakes to return £1,000 to any man at his death or at a given age, it is very clear that this £1,000 must be first paid

in to the life assurance office—it cannot pay what it did not receive. A theory of life assurance is that every man pays in the sum required to provide the amount to be repaid him or his survivor.

The Function of the Company.

Life assurance companies merely undertake to administer profitably the sums paid into them by assurers; to be the custodians, by contract, for a determinable number of years—usually a great many years—of the moneys given to them; to invest these moneys at compound interest in safe securities. That is, they are organized corporations for the doing of what any man might do for himself if he went about the matter in the same way. Life assurance companies are more than this, however, for they undertake to repay to all assurers with them the face value of the policy irrespective of one's living a sufficient time to pay in a principal sum which, invested at a certain rate of interest, will yield the amount of the contract. The basis of all their operations is the law of averages, by which it is possible to predetermine the length of the lives of men, to ascertain how many years the man of twenty, of thirty, of forty, of fifty, or of sixty may live. Individual lives may fall below or exceed the limit of life which the law of averages as represented by tables of mortality has fixed, but such departures from the average have all been provided for in the average, so that a premature death or a prolonged survivance does not disturb the foundation upon which the fabric of life assurance science has been reared.

No Economy in Delay.

The application of all this to the individual is that, no matter when he may assure his life, he saves nothing by having postponed the act; therefore there is no economy in delay. If he enters a



NEWFOUNDLAND.—Waterfall near Tompkins House.
A noted fishing spot.

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