

struction of said statute, and unless the plaintiff shall otherwise comply with said statute as so erroneously construed by the defendant."

It came out on the trial that the insurance contracts of the plaintiff issued to Wisconsin citizens, in force on December 31, 1902, amounted to \$14,014,692—the annual premiums being paid thereon amounting to \$428,100; that more than 84 per cent. of the insurance contracts and policies aforesaid in force issued to and held by Wisconsin citizens and policy-holders are upon what is known as the ten, fifteen and twenty year deferred dividend plan, by which no dividends are to be paid or apportioned to, nor is any surplus dividend between or among such policies and insurance contracts until the end of the deferred dividend period, and not then if a forfeiture is imposed upon death or the failure to pay premiums.

It was not essential to the case, nor is it necessary to its merits being thoroughly understood to set forth, as was done at the trial all the business features of the company, its enormous assets and reserves are too well known to need repeating, their magnitude has no bearing on the question in dispute. As the Judge of the Supreme Court pointed out, the "deferred dividend insurance" policies are expressly authorized and are enforceable by the Courts of New York, and it is under the terms of such policies that the company claimed to distribute "its accumulated assets or surplus" in longer periods than 5 years, usually 10, 15, or 20 years.

The court discussed the conditions under which the word "may" becomes mandatory. A distinguished judge laid down that "when the act to be done is not clearly beneficial to the public or third persons, the exercise of the power is held to be discretionary." The ruling in that case follows what is perhaps the leading case in this country upon the subject. As indicated in some of those cases, where the word "may" is used in a statute which directs the doing of a thing for the sake of justice, or the public good or imposes a duty, enforceable, as such, it is to be construed as being mandatory. While sanctioning the ruling in that case, it was held in a more recent case that: "When a statute declares that an individual or individuals *shall* or *may* do certain acts, or have a certain remedy, which is intended for his or their own benefit, he or they have a discretion to do the act, or pursue the remedy, or not."

After discussing the rules of construction, generally, the court used this language: "Applying these rules to the words 'may' and 'shall' in Section 14, the former must be regarded as *permissive* and the latter as *imperative*. We can conceive of no good reason, nor are we aware of any rule of interpretation which would warrant the holding that the words 'may' and 'shall' are used in the same sense in the section, and that imperative." The Equitable therefore, secured a complete victory and its license to do business in Wisconsin cannot be revoked.

CANADA LIFE ASSURANCE COMPANY.

Another five year period of the Canada Life ended on 31st December last. In this period the progress of the company has been most satisfactory.

The following shows the leading items in the statement for 1904, compared with the same one for 1900:

	1904.	1900.	Increase or decrease.
	\$	\$	\$
Premium and annuity income.....	3,043,178	3,955,905	— 12,727
Interest.....	1,204,851	966,426	+ 238,425
Sundry payments.....	2,749,971	2,936,292	— 186,321
Excess of receipts over payments.....	1,550,420	1,284,939	+ 265,481
Policies paid for in year.....	11,211,721	6,397,943	+ 4,813,778
Total assurance in force.....	101,805,944	81,005,944	+ 20,766,961
Surplus on policy-holder's account.....	2,376,426	1,000,793	+ 1,375,633

The decrease of \$12,727 in the first item is doubtless caused by the *annuity* income being much less in 1904, than in 1900, but, as the statement issued does not distinguish between the *premium* income and the *annuity* income, but gives these in one sum, it was not possible to show by what amount the premium income had been increased.

The new business paid for in 1904 exceeded that of any previous year in the company's history, and for the first time the total business in force went over the 100 millions mark, the amount at end of 1904 being, \$101,805,944. The gains last year were:

	1904.	1903.	Increases.
	\$	\$	\$
Applications received ...	7,221	6,863	+ 358
Assurances applied for ..	14,571,153	13,881,960	+ 689,193
Policies issued.....	13,043,503	12,635,032	+ 408,471
Policies paid for.....	11,211,721	10,122,139	+ 1,089,582
Total assurance in force..	101,805,944	95,531,110	+ 6,274,834

The net surplus over all liabilities, by company's standard, is \$1,376,000, but by the Government standard, \$4,326,000. The company's arrangement for basing the reserves on 3½ and 3 per cent. interest, which has been carried out, puts the company in a very strong position.

In his address at the annual meeting the President, the Hon. Senator Cox, said: "In addition to the \$500,000 reserved from the surplus of the previous quinquennium we have during the five year period just ended in order to complete the change to our present valuation basis, transferred from the surplus to reserves the large sum of \$725,000, and when it is borne in mind that during the same time we have opened and equipped a large number of new branches and more than doubled our new business, the present surplus of \$1,376,000 is a result of which we may be justly proud. This surplus will enable us to pay cash profits to policy-holders substantially larger than were paid 5 years ago."

It was announced at the meeting that arrangements had been decided upon for extending the amount of loan and surrender values, as well as of the paid-up insurance of the older policies. So far as this will enable certain classes of policy-holders to keep their policies alive, or, when under imperative necessity