

petition abroad. There is no doubt that recent years have brought about a great change in the relative proportions of the shares of the United States and of the United Kingdom in the world's export trade. A writer in the current issue of *The Financial Review of Reviews* gives the following table as to this, covering the years 1890 to 1904:

Comparing the United Kingdom's Share of the World's Exports with the United States' Share of the World's Exports.

	United Kingdom Per Cent	United States Per Cent		United Kingdom Per Cent	United States Per Cent
1890 ..	18.0	12.0	1898 ..	14.1	15.3
1891 ..	16.9	12.4	1899 ..	14.8	14.1
1892 ..	16.1	15.1	1900 ..	15.4	15.2
1893 ..	15.8	12.6	1901 ..	14.7	15.9
1894 ..	15.9	13.3	1902 ..	14.4	14.4
1895 ..		11.7	1903 ..	13.9	13.9
1896 ..	16.1	11.1	1904 ..	13.9	13.8
1897 ..	15.0	13.8			

The approximate accuracy of this computation is borne out by the estimate of the Bureau of Statistics at Washington, that United States exports for 1906 were about 14 p.c. of the world's total. The growing importance of the United States as a source of world supply is but natural in view of increasing population and developed resources. But when the "invisible exports" of Great Britain, to which reference has been made, are taken also into account, it will be seen that the rate of commercial growth for the United States requires still further acceleration if the older country is to be overtaken in the race.

Taking into account both exports and imports, the predominance of Great Britain is strikingly evident, its aggregate trade being over £1,000,000,000 as against £600,000,000 or so for the United States. And as to so-called trade balances, it is to be kept clearly in mind that the United States is paying for certain invisible imports with its apparent excess of exports—while, in converse fashion, Great Britain is receiving in the form of excess imports its payment for invisible exports sent throughout the world. To say off hand that the United States balance of trade is the more favourable is the height of absurdity if the verdict is based only on the relative volumes of visible exports and imports.

WARRANTIES AND REPRESENTATIONS IN CONTRACTS OF LIFE INSURANCE.

Extracts from a Paper read by Mr. Victor E. Mitchell, before the Insurance Institute of Montreal.

Life insurance imports a mutual agreement whereby the insurer, in consideration of the payment by the assured of a named sum annually or at certain times, stipulates to pay a larger sum at the death of the assured. The insurer takes into consideration, among other things, the age and health of the parents and relatives of the applicant for insurance, together with the applicant's own age, course of life, habits, and present physical condition. So, life insurance is not a means of creating wealth, nor yet a contract of mere indemnity, as is that of fire and marine insurance. It is simply a mode of putting by money for savings.

CONTRACT.

The contract of insurance is the result of a proposal, or application, upon the part of the insured, and its acceptance by the insurer. The application is usually composed of several parts: first are the answers by the applicant to certain questions relating to age, occupation, present and past, if previous proposals for insurance have been made and with what results, etc.; then is the certificate of the examining physician as to the family history and the result of the physical examination of the applicant, and sometimes lastly the certificate of one or more friends of the insured who occupy the position of referees, testifying to the habits and conduct of life of the applicant.

INSURANCE INTEREST.

A contract of life insurance is peculiar in that it is not every person who can become a party to it. The law forbids, from considerations of public policy, any person to insure the life of another unless he has some interest in the life of such person, because otherwise such contract would be in the nature of a wager or speculation in human life.

The right of a man to insure his own life and make the policy payable to whomsoever he chooses, irrespective of the question of insurable interest, has never been doubted, but the transaction must not be a cover for a speculation and wager contravening the general policy of the law. The mere fact that the premium is paid by a third party who is payee of the policy, however, does not make the contract a wagering one.

C.C. Art. 2590.—The insured must have an insurable interest in the life upon which the insurance is effected. He has an insurable interest in the life: 1. Of himself; 2. Of any person upon whom he depends wholly or in part for support or education; 3. If any person under legal obligation to him for the payment of money, or respecting property or services which death or illness might defeat or prevent the performance of; 4. Of any person upon whose life any estate or interest vested in the insured depends.

By Articles 5580 *et seq.* of the Revised Statutes of the Province of Quebec, the husband can insure his life for the benefit of his wife and children.

Insurance in life falls into two divisions,—insurance on one's own life, and insurance on another's life.

In the Civil Code, which as to insurance almost wholly corresponds with English law, and is a good summary thereof, the objections to creditors' policies and similar policies are met by Article 2592, which is as follows:—"The measure of the 'interest insured in a life policy is the sum fixed 'in the policy, except in the cases of insurance by 'creditors, or in other like cases, in which the 'interest is susceptible of exact pecuniary measurement. In these cases, the sum fixed is reduced to 'the actual interest.'"

PREMIUMS.

The premium is the consideration paid for insurance. Its payment and delivery of the policy are usually concurrent acts. It is now ordinarily provided that the policy shall not be binding until the