

fearful sacrifices to the English consigners, all of which points to the necessity for exercising more than ordinary caution.

The award of the arbitrators on the adjustment of the debts, liabilities, assets, &c., of the provinces of Quebec and Ontario, has been made, and placed in the hands of the public. A very large amount of time and care and thought has been spent by the arbitrators upon their judgment. It is matter of great regret that they were compelled to go on without the aid of their very able coadjutor, the representative of Quebec; but we hope that a calm, dispassionate consideration of the award will convince the people of both provinces that their interests and rights have been dealt with in a spirit of generous, high-minded equity.

TERMINATED LIFE INSURANCE.

In the *Chicago Spectator* a table is published, showing the relation of terminated business to new business during the year 1869, as reported under oath by thirty-four American companies, including the oldest and most prominent doing business in that country. By this table some rather singular facts are brought under notice. It appears that while 188,864 policies were issued by these thirty-four companies, 110,648 were terminated, leaving only a net increase of 78,216 policies. In other words, the policies terminated were equal to 58.64 per cent. of those issued; and out of this 58.64 per cent. only 4.45 were terminated by death, or 145 policies out of 3,254 of the average number terminated.

Taking the individual companies, doing business in this country (and the N. Y. Mutual) we find the following facts:—

	Policies issued.	Policies terminated.	Ratio.
Aetna.....	11,377	7,556	66.41
Connecticut Mutual...	8,565	7,227	84.37
Equitable.....	13,211	7,399	56.01
Mutual, New York....	15,445	8,219	53.22
National, U. S.....	6,770	2,617	38.65
New York Life.....	10,725	5,920	55.19
Phoenix Mutual.....	8,652	4,988	57.65
Union Mutual.....	3,386	1,835	54.19

It will be seen from this statement that the companies named expunged, from their register policies to the extent of 60, 70 and 80 per cent. and upwards of all the policies issued during the past year. This is rather an instructive commentary upon the mode of doing business, now in vogue on the other side of the lines. It is but the legitimate result of what we shall call the high-pressure system. In this system the large commission paid the agent is the motive power. Under the influence of this pressure, persuasion and solicitation are exhausted in order to procure business. And that these are powerful influences, the fact that the thirty-four companies above referred to, obtained

5,554 policies each, on the average, in 1869, must be regarded as convincing proof. Whatever may be the objections to persistent canvassing, it is an instrumentality not to be despised. Without it the benefits of life insurance would never reach thousands who now enjoy them. Still, the figures cited show that there is a point beyond which the most vigorous canvassing cannot push life insurance, a point which is reached when the terminated policies shall equal the number issued; and that point, in the case of some of the companies, cannot be far distant.

The journal above quoted devotes an article to this subject, in the course of which it estimates the sum thrown away upon agents and medical examiners for policies which are not continued, at a million dollars per annum. "Here," it says, "is the secret service money wherewith competition is kept at fever heat, jealousies are fed and pride is bolstered. The agony for new business, at whatever cost, without the corresponding anxiety to retain it, or, perhaps, with the certainty of early lapse, has begotten this monstrous wrong-doing. The agent who transmits the largest number of applications, no matter how few of the policies run to the end of their first year, is winner of the greatest glory, the office that obtains them exults over the addition made to its number of 'policies issued during the year'; heavy commissions and other expenses follow or accompany these transactions; the old policyholders are deprived, to that extent, of their overpayments, and the year closes with the record that from fifty to seventy-five per cent. of all this wonderful activity and cost has been utterly fruitless and vain. This, moreover, is not a practice of sudden growth. The aggregates of 1867 and 1868 show that, during those years, more than thirteen times as many policies were forfeited as were terminated by deaths. It is, therefore, becoming a fixed habit with the companies thus to waste their substance in this censurable style of management; and, as an excrescence which is assuming terrible proportions, it needs prompt and vigorous treatment. The riotous rush for new business must be brought within the limits of reason and right, or life insurance will soon become a barren field, and its cultivation a profitless occupation."

It must not be supposed that this general "casting away" of life insurance is owing to a want of confidence in the stability of the companies; it is simply the rebound from the undue tension applied by agents. The remedy is for the companies to reduce the commissions to agents, to abandon the idea of trying to force the business, and to cease paying, as now, large sums for that which

produces nothing. The companies may be the gainers by the lapse and surrender of so many policies, but if so, it is at the expense of a direct loss to insurers, who are compelled to abandon an undertaking for which they have perhaps neither the means nor the resolution to carry out. The evil pointed out demands the attention of the companies, with a view to its immediate cure.

INVESTMENTS WANTED.

Not many days ago, a gentleman of means from the United States walked into our office, and stated his business thus: "I have ten to twenty thousand dollars to invest: what shall I put it into? I prefer investments in Canada, but all your stocks and securities are at such high prices that I do not see any prospect of realizing more than about six per cent., which I think is not enough. Some years ago, I invested a considerable sum here in various things, and it has netted me 12 to 15 per cent." This is but a specimen of the inquiries that we are often confronted with, and it represents pretty truly the state of affairs as they are to-day.

There is no doubt that our surplus capital is too much directed into certain channels, which are, for some reason, looked upon with unusual favor just now, and it is equally certain that the over-crowding of these channels must soon cause an overflow. A great deal has found its way into the lumber business, which is now much more extensively and effectively worked than ever before. And it is in such directions as this that we would like to see the attention of our capitalists turned. In various kinds of manufacturing industry (which we shall take the opportunity to specify at some future date) there is abundant room for the profitable introduction of a large amount of capital.

At present we shall confine ourselves to suggesting what is undoubtedly an inviting field, if representations made to us, on very good authority, can be relied on;—we mean the shipping of the Maritime Provinces. That this interest is most profitable to those engaged in it would seem to be established by the enormous development that it has attained in some of the seaport towns of Nova Scotia. The town of Yarmouth owns more vessels for its population than any seaport in the world, averaging, it is said, nearly ninety tons to each inhabitant. The ship-owners of St. John, N.B., are among the wealthiest of its population; many of them began life as ship-carpenters, with no other capital than a strong arm and a broad-axe. Some of them tell of the "good old times" when a thousand-ton ship would clear her cost in one or two voyages, or would, perhaps, net her twenty or thirty thousand dollars in