Fortunately, wiser councils have now prevailed and a number of the representatives of the fraternal orders working in the States have come to an agreement with a committee of the National Convention of Insurance Commissioners, upon the leading outlines of a bill, to be drafted and put into force with the idea of placing the fraternals upon a more sound financial basis. It is true that under the compromise arrived at the fraternals will not be required to make good any reserve deficiency until 1918, but even this is a vast improvement upon the present condition of affairs, and the publicity given to the fraternals' condition in the meantime should help along reform.

It is probable that this agreement of the wiser heads of the Fraternal Orders that something must be done to put their financial house in order has been hastened by recent events, which have done something to bring home the fact that a number of these organizations are in more or less serious trouble, including some of the largest. At the same time several recent decisions in the higher courts of record, questioning the rights of such organizations to raise assessments or to drop members refusing to pay increased assessments has weakened perceptibly their position. Sentiments of brotherhood are all very well in their way, but it is clear that they do not form a stable or scientific foundation upon which to build a system of insurance.

The statistical position of the fraternals is well set out by some extensive tabulations compiled by The Spectator of New York, of which a summary is given on page 1169. The tables show that the fraternal organizations have to contend with a constantly increasing death rate, which forces an increasing proportion of lapses. The Spectator's tables are arranged in four groups according to the age of the Societies listed. The first group includes societies which are over 35 years old. In this group the death rate is very high, a decided increase being apparent for each quinquennium; the lapses last year exceeded the new certificates written, while the membership shows a marked decrease—over 40 per cent. in five years. In the second group are the societies between thirty and thirty-five years old, among which is the largest business association of the country. Although the membership in this group amounts to over 800,000, the death rate shows a marked increase for the past quinquennium and the lapse ratio is in excess of previous years.

The third group of societies between twenty-five and thirty years old shows them in their transition stage. For instance, 1899 shows a mortality of but 6.23 per 1,000; 1904 an increase to 7.45, but for 1909 the rate is 16.45 per 1,000. Thus there is in the beginning low mortality, low lapses and apparent success. As time goes on increased mortality, increased lapses and increased assessments are doing their work, as shown in the decreasing membership, which spells ruin. Group four, consisting of organizations under 25 years old, shows them in the heyday of their career; but even that is of little encouragement, for the lapse and mortality rates are very high and are on the constant increase.

As a whole, the tabulation shows an increase in the death rate from 8.93 to 11.11 in the last decade, while the lapse rate on new issues jumped from 35.00 in 1899 to 72.14 in 1904, and 50.37 in 1909. During the five years ending in 1904 the membership increased 1,104,301, while from 1904 to 1909 there has been a decrease of 73,785. Thus from The Spectator's figures we have the whole career of assessment companies in a nutshell. It is for insurance men to drive the lesson of it home.

NOTES ON BUSINESS INSURANCE AND FINANCE.

Adjustment of Fire Losses. A correspondent calls our attention to some extraordinary allegations regarding the adjustment of fire losses by non-tariff companies. In connection with a recent fire in Eastern Canada, a non-tariff company, it is said, was interested with two tariff companies in a particular risk. The non-tariff office treated the matter at once as a total loss without taking the trouble of investigation in company with the other offices. When, however, the adjusters for the two tariff companies took the matter up, they found quite a large salvage and only paid between them one-half the amount which the non-tariff office had paid. Action of this kind is not business. If the non-tariff company made the payment from philanthropic motives, it would be better were the fact so stated.

Available Bank Note Currency. With the commencement of crop-moving, the circulation of bank notes begins to show marked expansion, attaining its highest point usually in October. The statement on page 1165 shows the position of the banks as regards available note currency. The bank return as at 30th June, has been taken as its basis, but it is reasonably certain that before October there will be some slight increase in the aggregate of paid-up capital and of capital and rest, and, therefore, in the amount of bank note issues allowed. The statement refers only to the going banks. In 1909, it will be seen from the last column of the statement, there was an expansion in the note issue of $19,-550,103. Apparently, this year's crops in the West will not be up to the standard of last year, but, on the other hand, it has to be remembered that the area under cultivation is larger than in 1909, so that it would be unsafe to predicate a considerable reduction below the highest issue of last year on the basis of crop conditions alone. At the close of the period of expansion it will doubtless be, as last year, that while some banks will have found it necessary to use their rights of additional issue, others will not have been able to get out the full amount of their ordinary issues. The extra circulation that may be issued over and above the amount of paid-up capital must not exceed 15 p.c. of combined capital and rest.

Insurance Against Wet Days. The insurance companies, writes our London correspondent, appear to have reached the turning point in the production of policies to fit every case. Lloyds have declined to insure the life of the aviator. It does not seem impossible, however, that a policy will sooner or later be issued to cover the risks of aviation, es-