

The following shows the average rate of interest earned on the "Mean Amount of Assets", as explained above, in each of the 20 years from 1882 to 1901:—

Year.	Canadian Cos. Per cent.	British Cos. Per cent.	American Cos. Per cent.
1901..	4.69	4.14	4.20
1900..	4.56	4.03	4.31
1899..	4.52	3.92	4.69
1898..	4.65	3.94	4.53
1897..	4.77	3.98	4.57
1896..	4.76	4.08	4.65
1895..	4.68	4.19	4.88
1894..	5.24	4.54	4.72
1893..	5.35	4.09	4.79
1892..	5.37	4.19	4.83
1891..	5.54	4.34	4.97
1890..	5.50	4.32	5.06
1889..	5.74	4.29	5.26
1888..	5.83	4.14	5.40
1887..	6.57	4.28	5.22
1886..	6.29	4.41	5.30
1885..	6.22	5.38
1884..	6.13	4.41	5.39
1883..	6.61	5.45
1882..	6.20	5.84

It is a remarkable tribute to the growing confidence of Canadians in their native institutions to find the average or mean amount of interest earning assets of the Canadian life assurance companies to have expanded since 1880 from \$5,112,011 to \$59,619,026. In 1901, the addition made in the 22 years having been about 11 times the total in the former year. In that period the Canadian companies enlarged their premium income from \$1,039,341 in 1880 to \$9,133,890 in 1901, or about 9 times.

The interest earning assets of the British companies from 1884 to 1891 were nearly doubled the rise being from \$36,743,103 to \$71,958,717, an increase of \$35,215,614. The American companies' "mean assets" increased in the 22 years by an addition made to them of \$876,262,000, which is something over 4 times their amount in 1880.

It will be noted that, as regards the Canadian life companies, the year 1887 was evidently a time when great changes were impending affecting the value of money invested in Canada. These changes were caused by, as well as indicative of, a rapid expansion of the funds available in Canada for investment, which brought down the rates of interest, more especially on mortgages, in which so considerable a sum is invested by the life companies. These enlarged resources are shown in the following statistics:

	1886.	1890.	Increases 1890 over 1886.
	\$	\$	\$
Bank deposits..	111,449,000	135,548,000	24,099,000
Savings Bk. deposits ..	46,351,000	51,921,000	5,570,000
Loan Cos. deposits ..	16,226,000	17,893,000	1,667,000
Inc. of dep'ts. in 4 years	\$174,026,000	\$205,362,000	\$31,336,000
Loan Cos. foreign deb.	32,362,000	45,123,000	12,761,000
Total increase of deposits and foreign debentures in 4 years..			\$44,097,000

	\$	\$	\$
Imports..	95,990,000	111,682,000	15,683,000
Exports..	82,413,000	91,387,000	8,974,000
Consols..	102¼—99¼	98¼—93¾	

Evidently, the monetary resources of Canada had so enlarged and the general business as reflected by the imports and exports was expanding so rapidly between 1886 and 1890 as to render it no longer feasible to secure such high interest rates as had hitherto been obtainable. We find then that 1887 saw the maximum rate realized by the Canadian life companies after 1881, which was 6.57 per cent., from which point there was a gradual descent yearly to 1899, when 4.52 per cent. was the average realized. In 1899 "wars and rumours of wars" tightened the money market so that a reaction took place, the rise in the average rate realized on the "Mean Assets" of the Canadian companies going from 4.52 per cent. in 1899 to 4.69 per cent. in 1901, and on those of the British companies from 3.92 per cent. to 4.14 per cent. The American companies' investments are so largely in securities that are not directly affected by those influences which regulate the interest earnings of Canadian and British life companies, that the United States companies did not participate in the increased rates realized by those of Canada and of Great Britain in and after 1899.

There is a marked contrast between the course of the average interest of the British companies and those of Canada and the United States, the former having declined by only about a quarter of 1 per cent. in the last 18 years, while the average rate of the Canadians has fallen in the same period by 1.44 per cent., and the American by 1.19 per cent. The difference in experience is attributable to the greater steadiness of investment rates in the old land, owing to various causes, but mainly because the market in England is so much wider that the influences tending to raise, or to lower the price of money are so varied as to counteract each other and prevent wide differences. The truth is that money in Canada and the United States, for the last half century, has been gradually approximating to the British standard, and the day is approaching when the average interest earnings of the life companies of Canada, the United States and of Great Britain will show only trifling differences, as a consequence of which they will all adopt a common basis, a standard, for valuations.

CONFUSION CAUSED BY SIMILARITY IN NAME.—"The Review" points out that some comments published in a New York insurance journal, on the position of the "Norwich Union," must refer not to the fire office of that name, the Norwich Union Fire Insurance Society, but to the Norwich Union Mutual Life Assurance Society, the two companies having no connection.