president. He is the father of the idea that it would be a good thing for the managers of the assessment concerns to study up a little in the mathematics of life insurance. Fouse himself has for some time been dipping into the subject, and it has done him good. He is already apparently half converted to a belief in the principles and plans of legitimate, level-premium life insurance. It is tolerably certain that if the other fellows who handle the imitation article will join Mr. Fouse in his search for actuarial verities long enough to go honestly to the bottom of the subject, they will very speedily stop bailing out their leaky craft, abandon it, and get a solid oak, copper-bottomed "old line" ship to sail in. Can't somebody induce Brother Harper of Mutual Reserve Fund fame to go to Fouse's school?

THE DEATH RATE of the Mutual Reserve Fund Life of New York having about trebled in four years, and its assets decreased materially during the past year, while its lavish expenditure to "get business" is becoming notorious. The *Indicator's* "Pocket Chart of Life Associations" for 1889 shows that the death rate of the Mutual Reserve Fund has increased from 3.10 per 1000 risks in 1884 to 9.16 in 1888. During the latter year it cost $640,843 to pay losses amounting to $1,589,417, while the assets for 1888, as compared with 1887, show a decrease of $232,278. Meantime the old rats are leaving the ship. According to the Blue Book, the Mutual Reserve issued in Canada, in 1888, certificates amounting to $3,128,250, of which $2,025,000 were wiped out by "expiry," "surrender" and "not taken!" Thus about two-thirds, measured by amount, of those supposed-to-be insured found out their mistake and left the concern unceremoniously.

IT WILL BE of general interest to note the ample provision that is made by the Government for the security of Canadian policyholders of *all* classes. The aggregate deposit of securities for this purpose reported by the Superintendent of Insurance is, in round numbers, $14,783,000, of which $9,589,500 applies to the life companies, $4,198,000 to the fire companies, and $996,000 to the accident and guarantee companies. The securities are classified as follows: Life companies.—$5,849,000 in municipal, Government and similar securities; $2,700,000 in United States securities, mostly Government bonds; $1,039,600 in Railway stocks and bonds. Fire Companies: $3,805,000 in Municipal and Government, $200,000 in United States, and $193,500 in Railway securities. Accident Companies: $875,900 in Government and Municipal, $70,000 in United States, and $50,000 in Railway securities. It is worthy of mention in this connection that the United States companies, both fire and life, have invested considerable amounts in Canadian securities for deposit, and there seems to be a decided tendency to do so to a still greater extent.

THE CHRONICLE has been unsparing in its denunciation of valued-policy laws, and so, we are glad to note, have most of our contemporaries. The mistake, however, has quite generally been made of emphasizing the evil of incendiarism as the principal evil fostered by these laws. We are glad to notice that our New York contemporary, *Insurance*, in an able recent article on the general subject, treats it from the correct standpoint when it tersely says: "The argument, and the whole of it, is that the valued-policy law is repugnant to the true principle of insurance—indemnity, the making good of loss." Both intentional and careless burning on the part of the insured are evils, no doubt promoted by the law, but they are incidental and not fundamental evils. It cannot be too strongly emphasized that the first principle of all insurance is *indemnity for actual loss*. An agreement on the part of the insuring company, to *buy* the insured property at a certain fixed value, should it chance to burn, is not insurance. Insurance is to replace lost values according to payment therefor, and agreement to pay a thousand dollars where five hundred measures the loss is a radical innovation which the law-making power has no right to attempt.

A CORRESPONDENT of the *Monitor* calls attention to the fact, that on four risks which burned between Aug. 17th and Sept. 15th, two of Armstrong's mutuals the Mutual Fire and Fire Association of New York—carried $357,500 insurance $230,000 by the former, and $127,500 by the latter. The risks referred to were: the Hammond packing house, Hammond, Ind.; Dick & Myers sugar refinery, Brooklyn, N. Y., saw and lumber mills, Winona, Minn.; and the dry goods house of Bamberger, Bloom & Co., of Louisville, Ky. On the latter as also on the packing house, the risk carried was $100,000,—$70,000 and $30,000 each by the respective companies, while the risks on the other establishments were pretty well up to the same notch. The aggregate carried on these four risks, which burden within thirty days, was nearly one-third in the case of the Mutual, and one-half in the case of the Fire Association, of the entire premiums reported for 1888. This is what we call reckless underwriting, and by the time Mr. Armstrong gets well spread out over the country—including the Pacific Coast—with his jumbo lines in the above fashion, we may look for his prodigies to appear in a new role, as the great collapsed.

THE VALUE OF the insurance journal is unquestionably becoming better appreciated, and its influence extending, as experience demonstrates its helpfulness to the special interest to which it is devoted. Notwithstanding the croakers, the insurance press, as a whole, is clothed with dignity and endowed with power. It is vastly something more than an advertising device "for revenue only." In this connection, we quote with approval what the *Insurance Age* says on the subject: "There is an old notion, not wholly obsolete yet, that advertising is only so much pay or support, because the circulation of insurance journals is small, and 'nobody sees' them. But if the *Police Gazette* circulated a million copies, it would be worthless to a publisher of scientific works; a scientific journal printing a few thousand copies would pay him better at three times the price. This serves to illustrate the principle. But does an Insurance journal, admittedly never seen by the general public, reach any buyers of insurance? Rather does it not? Does it reach anybody else? *The agents are the buyers of insurance*; that is what we want to make realized. The business man owns the property and the life, and pays for the insurance; but the professional insurance man does the buying, and is therefore practically the customer."