

IMPAIRING OLD AGE PROVISIONS.

How prevalent the habit of living up to or even beyond income has become is indicated by the tremendous expansion of loans upon life insurance policies which was brought to attention at a recent convention of life insurance men. . . . The total provision for dependents or for old age, made through outstanding policies, is impaired to the extent of the more than half a billion dollars that is the total of the loans. Not alone for government are economy and retrenchment necessary. The time is long overdue when individuals must resume the old-fashioned habit of living well within their incomes if that be possible, or at least not beyond them.—"Albany (N.Y.) Journal."

A DANGER SIGNAL.

One who does not realize that as a nation we are living beyond our means, needs but to examine the annual reports of the life insurance companies. Borrowing money on life insurance is—or ought to be—a last extremity. . . . Reckless extravagance is a national characteristic. But when it carries us too far it always has led and it always will lead to most undesirable results, to forced and sudden curtailments which are extremely uncomfortable. When those times come they are inexpressibly harder if one must realize that the one safeguard of the family has already been impaired. It is a danger signal, this increased borrowing on life insurance policies.—"San Diego (Cal.) Union."

DEFEATS THE PURPOSE OF LIFE INSURANCE.

The Association of Life Insurance Presidents calls attention to the rapid increase of policy loans in recent years. . . . The magnitude of this loss of protection to dependents can be better appreciated by a few comparisons. Half a billion dollars is in excess of the total amount of ordinary life insurance in force in any single State on December 31, 1912, excepting the States of New York, Pennsylvania, Illinois, Ohio and Massachusetts. . . . The Association is serving an excellent purpose in calling attention to the increase in policy loans. . . . Life insurance companies are justified in attempting to discourage policy loans. Figures show that they too often defeat the real purpose of insurance.—"Portland (Ore.) Journal."

DOUBLING THE PREMIUM RATE.

. . . . The whole aim and object and purpose of life insurance is defeated if this sort of thing is permitted to go on. Policies should not be treated or regarded as securities for borrowing money except in extreme emergencies. Certainly they should not be used as securities in business transactions, for it is a question of law, as well as of fact, if the policyholder has a right so to use his policy without the knowledge and consent of the beneficiaries. . . . Now, if a policyholder borrows money on his policy, even at the current rates of interest for loan money, and if he borrows only a quarter of the face value of his policy, he is practically doubling the premium rate for the entire policy. For instance, if \$1,250 were borrowed on a \$5,000 policy that was issued under normal conditions, it would practically mean that the borrower was paying premiums on a \$10,000 policy. . . . —"Boston (Mass.) Evening Globe."

LOANS REMAIN UNPAID.

The habit of living up to or even beyond income is indicated by the increased demands for loans on life insurance policies which was brought to attention at a recent convention of life insurance men. . . . At present the policyholders have virtually the right to demand loans on their policies. That right has been freely exercised