sults. Ranking next to this, the most important peculiarity of American life insurance, is their agency system, with which is combined the universal practice of a direct and personal canvass—a method of getting business to which the companies of the Old World are total strangers. Aided by the public confidence imparted by the official certificates, these agents, who are to be met everywhere, have succeeded in accumulating an amount of patronage for the companies which, in the aggregate, is astonishing. From a statement given by our New York correspondent last week, it appeared that sixty-nine companies reporting to Superintendent Miller, of New York, had accumulated, up to the end of 1869, policies, to the amount of nearly two thousand millions of dollars. The premium receipts last year of these companies was nearly ninety millions of dollars, and the total receipts from all sources close upon one hundred millions. Their total assets are stated at $222,933,209.

But unprecedented as these results are, the influences to which they may be largely ascribed are not less so. It is not a matter for surprise that an agent would send in business at the rates which the companies pay for it. It is nothing uncommon for good agents to get 50 per cent. commission on the first, 25 per cent. on the second, and 20 per cent. on all subsequent year's premiums! The old established companies do not pay these rates, but the young ones, who are striving for business, do, because they are compelled to in order to compete with their older rivals. It will be readily seen from this why thirty-three companies out of the sixty-nine show a ratio of expenses to premium receipts of over 30 per cent., while several exceed 50 per cent. The large majority of the sixty-nine companies are mere infants, forty-six being less than ten years of age, and thirty-six being only five years.

In view of such a state of facts, it strikes one as a little singular that a life insurance policy should be recommended as an investment, as it is by many agents. What kind of an investment is it that costs 50 per cent., or even 25 per cent., to secure, when the ordinary charge of a broker is from $\frac{1}{8}$ to $\frac{1}{4}$ of 1 per cent. for the like service? How much greater is the contrast when it is remembered that in the one case it costs 10 to 20 per cent. per annum to continue the investment, while in the other it costs nothing. It should be clearly understood that every cent paid to agents and officers is, in a mutual company, just so much out of the pockets of the policy-holders. Besides, it is natural to inquire how it is possible for companies to pay out so large a sum annually for expenses, and still keep the extravagant promises that agents are constantly making about dividends. It is stated to us that some of the agents of American offices promise 50 per cent dividends. Let us see: 50 per cent. for dividends, and 20 per cent. for expenses (for that is about the average), make together 70 per cent. of the premium, leaving 30 per cent. with which to pay the amount of the policy when it falls in. If anything further were wanting to show the absurdity of these professions, it is afforded by the experience of 1869, in which the average dividend additions of all the companies doing business in New York State was 16$\frac{1}{2}$ per cent. of the premium receipts.

It will be apparent from all these facts that the public should now, more than ever before, exercise a wise discrimination in entering into life insurance contracts. They should obtain all the necessary information about the standing, age, character, and expenses of a company, before accepting its policy. We can count off a number of American companies which we could recommend with the most unreserved confidence in every respect, while there are others of recent date that are buying business at ruinous rates with the money of those who are foolish enough to be deluded by their fair promises, and misled by their positive assurances of profit which never can be realized. It is an impossibility to pay away money to canvassers or drummers and policyholders, and keep it in reserve at the same time.

Another serious danger is encountered in entering these companies. In their struggle for business, they are certain to get a large proportion of impaired lives. The age of two-thirds of the companies, as we have shown, is not yet sufficient to test the extent of this blemish; but the experience of the next decade will "a tale unfold" with reference to mortality that will prove a warning not soon to be forgotten. Life insurance is a duty to be entered upon thoughtfully and cautiously, and with special reference to the distant future. The enquiry should be, not so much what a company is to-day, as what it will be twenty, thirty, or fifty years hence. If it pays away its resources in commissions, or expenses, or dividends larger than its position will justify; if it accepts any but sound lives, and that only after honest and searching medical scrutiny—have nothing to do with it. A little recklessness in this vital matter must bear bitter fruit. Let no one hesitate to insure because there are ill-managed companies; but let every one discriminate closely, and patronize none but sound conservative and economically managed institutions. By adopting this course the interests of insurers and the public, and the worthy cause of life insurance will be best served.

A WARNING TO SPECULATORS.

Canada is not cursed with the spirit of wild speculation to the same extent as the United States. We have not in Montreal and Toronto, the gambling in gold and stocks, which is carried on in New York, and other American cities—gambling which enriches a few and ruins many every day in the week. But there is vastly too much of this reckless spirit even in Canada, and there is reason to fear that it is on the increase. Many who are doing well in business, and ought to stick to it, are seized with the hope of becoming suddenly rich, and commence to speculate, passing from one rash venture to another, until they are hopelessly ruined.

A case which illustrates these remarks has just occurred in the enterprising town of Galt. Mr. James Hunter removed there a few years ago and commenced business in a line not requiring much capital. He manifested a great deal of enterprise, and soon built up a considerable trade, and obtained public confidence, as an active, reliable and successful business man. He made money. In a short time, it was reported, and we believe correctly, that he had made from $15,000 to $17,000. Flattered by this success, his attention was soon attracted to the New York Gold Room, and ultimately to the stock market. In an evil hour, he made a venture in gold, and lured on by some trivial success, he then tried railroad stocks—in each case putting up a margin. Then came a wrong turn of the market—a period of hopeless effort on the part of Mr. Hunter to get out of the (so-called) speculations without loss—and then the almost inevitable collapse! Not only every dollar that he had made has been lost, but creditors and friends from whom he obtained money on credit, have lost largely by the wretched gambling which he was tempted to try, and now he has fled the country.

Though not a failure involving so much capital as some others, this case conveys a pointed lesson. Here was a man in business doing well. He was not rapidly amassing a fortune, but he was steadily making money and living comfortable. But he was not content with the fruits of legitimate business, he was dazzled with the hopes of sudden wealth. He had read how Cornelius Vanderbilt, and James Fisk, Jr., made fortunes in an hour, and, with strange infatuation, determined to try his luck with the bulls and bears of Wall street. The result is—ruin to himself, and serious loss to all who trusted him.

We have placed this case on record that it may prove a warning to our ambitious young business men especially. Gold and stock gambling is little better than any other