

beautifully less. It sometimes looks as if it were in the power of the class of officials mentioned, to foster a spirit of litigation, ostensibly for the benefit of creditors. Even banks have not been free from being cajoled into acting as principals to suits, to the extent also of yielding to suggestions to make appeals from court to court, at law-costs far in excess of the amount of money involved. The sequel shows the funds all dwindled away, the creditors hopelessly minus and the administrators of the estate just so much the richer. There is scope here for the Board of Trade to exercise its ingenuity in recommending remedial legislation in the Province of Quebec.

Which are we to believe? THE public look to the utterances of Bank presidents and managers at annual meetings for authoritative information about the state of business and financial matters throughout the country. The meetings recently held, and that of the Bank of Montreal in particular, have been notable for emphatic utterances as to the healthful tone of business in Canada, especially in Ontario and Quebec, during the past year. The president of the banking institution mentioned reported a large increase in manufactures, especially in cottons and woollens; that the dry goods business had been more satisfactory than for the previous two or three years; and that the boot and shoe industry had shown a very great improvement; he also reported the lumber interests much better, and likely to continue improving; that a very great profit to the agriculturalist had come from cheese and cattle; and that commercial failures had been less than the previous year by one-fourth. These are supposed to be statements made from the watch-tower of non-political financial observers.

On the other hand, we find a large section of the press of this country, in almost every issue, depicting industries on the wane in all directions, that the people are being commercially dwarfed by the iniquities of a national policy, and that the Dominion is "going to the dogs" generally. Even prominent merchants, through interviews and expressions at Board of Trade meetings, insist upon the presence of depression and commercial stagnation, and the croakers stand ready with all manner of suggestions for speedy deliverance.

Now, who is telling the truth? In making our choice, we confess to a preference to believe the head of a banking institution which practically represents our national condition more intimately than even cabinet officers can do. Hence, there seems to be much cause for congratulation respecting the welfare of the Dominion in its material interests, and we venture the hope that the current year may chronicle a yet larger measure of prosperity at its close.

We are indebted to the *N.Y. Chronicle* for a copy of their Annual "Fire Tables," giving a record of the Fire losses in the United States by States and Territories during 1892, with exhibits of the monthly, annual and aggregate Fire losses in the United States during 18 years, 1875-1892. The values destroyed by Fire in the U.S., in 1890, were \$109,000,000; in 1891, \$144,000,000; and in 1892, \$152,000,000.

THE FUTURE OF LIFE INSURANCE COMMISSIONS.

Just where the war on commission rates will carry the Life Insurance companies is very problematical. Reprehensible as is the condition brought about by unwise, forced competition, we look upon it as a fire that will ultimately be purifying in its effect, and out of it the grand institution of Life Insurance will emerge better and stronger than it ever was before,—better because it will have survived a great evil, and stronger by the accession of strength a valuable experience always brings with it.

The evil at present existing, and which is so generally deplored that it has not to-day an open and outspoken advocate or defender, is something that cannot last forever, because it cannot stand where it is to-day. It is an evil condition that is bound to grow worse, and therefore we are logically justified in predicting that it will inevitably reach the point of its own destruction.

When that time comes the business of Life Insurance will be more business-like in its character. When that time comes the companies and the public will have reason to rejoice, and the agent will not be one whit poorer than he is to-day. Just where the much needed reform will first creep in, it is almost impossible to say, but we think it will be in the direction of recognizing a practical wrong which has been perpetrated for many, many years, and against which many of the best known and most highly respected actuaries have protested, and that is, on the undue proportion of commissions paid on endowment policies. It is not so hard to justify a 50 per cent. commission on the first year's premium of an ordinary Life policy, but it is utterly impossible for any man of reasonable intelligence and business prudence, who claims to take a common-sense view of matters, to justify the payment of anything like such a commission as this on endowments of comparatively short terms. We are content to stand by the logical soundness of the assertion, that either the commissions paid on endowment policies are altogether too high, or else the commissions paid on Ordinary Life policies are altogether too low; and as they stand to-day in the contracts of ninety-nine out of every hundred agents who hold contracts direct with their companies, they do not convey any fair or reasonable idea of a proper and just compensation for services rendered. Either in the one case they are unjustifiably liberal, or else in the other case they are miserably inadequate.

Twenty years or more ago one of the most respected actuaries of this Continent publicly announced his opinion of the iniquity of a large percentage commission on endowment policies. I do not suppose for one moment that this public declaration caused him to be particularly beloved by the thousands of agents scattered throughout the length and breadth of the land, but he enunciated an economic truth which is bound to be recognized, even if its recognition comes through the cruel channel of adversity.

We are not prepared to settle offhand the important question of inequities involved in this consideration, but we feel very sure that on premiums over and above a