

That is at present something of a conundrum, for the companies have persistently refused to reveal the gathered experience from which an accurate table of loss liability might be easily constructed. So, in the absence of reliable data, the insurance superintendents agree to a "rule of thumb," applied alike to all companies, taking an arbitrary portion of the premium for a reserve. If a more correct and scientific basis of reserve computation can be clearly pointed out, we are sure the companies will be glad to welcome it.

**THE DISGRACE OF LIFE ASSURANCE.**

It is unquestionably a fact, and a very humiliating one, that the business of life assurance in Canada today enjoys the distinction of being in a more demoralized condition than anywhere else in the world. It goes before the public deliberately depreciating its own value and belittling its own far-reaching beneficence by adopting the methods of the second-hand clothes dealer and the street peddler. Engaged in a business second to none in dignity of worth and indispensable service to the entire community, its representatives go about offering to sell its obligations at an enormous discount, varying according to customers.

The rebate evil has grown with the growth of the business until it has not only seriously impaired its respectability, but materially destroyed its ability to yield to the agent an adequate return for his labor. In England this bad practice is not by any means unknown, but it has not become a glaring feature of the business; while in the United States, bad as it undoubtedly is, the self-respect and self-interest of the field workers, encouraged by the companies, have united to stamp out the evil with a good degree of success. State and local associations have been extensively formed among the managers and agents, having anti-rebate for one of the principal planks in their platform, and by their request stringent laws have been enacted in several States prohibiting the unjust discriminations of this thoroughly bad practice. In the meantime, here in Canada, the managers and agents stand aloof from each other, with their war-paint on and rebate scalping knife in hand ready to scalp each other, while the insuring public look on with a grin, and pocket the scalpers' commission.

Life assurance is worth a certain fixed price to the buyer, and when the seller offers it at less than the table rate he falsifies that fundamental fact, and puts himself and his business on the low level of the huckster and his wares. The buyer only half prizes what has cost him so little, and the seller has thrown away the greater part of his hard-earned commission. And not the least contemptible feature of the rebate business is that, as a rule, the agent toadies to the rich and influential class, who have naturally come to look for a rebate on their premiums as something due their exalted position, the only question in their minds being as to the size of the tribute to be offered. As a matter of fact, the better able a man is to pay for what he gets, his insurance included, the more favors he expects and

the more higgling he will stoop to do to set himself down as the recipient of a gratuity from an agent, poor by comparison, for that is just what it amounts to. The less able man of small business, or the professional or salaried man, as a rule, is willing and expects to pay full rate for his life assurance, just as he does for his flour and his sugar. So would be the wealthy man if he had not been utterly demoralized by the long-continued catering of anxious solicitors, each trying to outbid the other in rebates.

If all the managers and principal agents in the Dominion would enter into an honest compact to do business on business principles, giving no rebate under any circumstances to anybody, and live up to their agreement, they would find it just as easy, when that state of affairs once became known, to sell assurance at full price as it now is at cut rates, besides having a good deal more to show for their work and having the respect of their patrons, rich and poor. What is needed is for somebody to lead off in the matter of anti-rebate organization. We have faith enough in the good sense and honorable intentions of the agents in Canada to believe, that most of them would most willingly abandon the bad practice if others would. As it is, a big rebate for some supposed desirable insurant is offered by the agent first approaching him, and all the rest at once feel bound to "go him one better," and so the ruinous and demoralizing competition goes on. All this can be and ought to be stopped. Who will move in the much-needed work?

Closely allied to this rebate evil, for which agents and managers are chiefly responsible, is one for which the companies are themselves altogether responsible. We refer to the "special agent" nuisance. When a company turns loose, as certain companies have done and are doing, a "lightning special," armed with a roving commission to go, practically, where he will, and he invades the partly worked field of the local agent, picks out his most promising subjects and, with a "home office" flourish, offers special plans and special rebates greater than the poor local's entire commission, it does a very shabby thing toward its agent, and helps to bring life assurance into contempt among all decent men blessed with good common sense. Some of the companies have learned by experience that such trickery doesn't pay, and it is to be hoped that others will take early warning by their example. The policy is both dishonorable and deservedly disastrous.

**HOW HARPER DOES IT.**

For the edification of our readers generally, and the instruction of the members of the Mutual Reserve Fund Life Association in particular, we print below a portion of the application used by the Association, and which, presumably, was signed by the aforesaid members without reading, as is the manner of confiding applicants generally. Here is the choice morsel:—

I do hereby warrant that the foregoing answers, written to the above questions, are my answers, and are full, complete, correct and true, and the same shall be made a part of the contract of my certificate of