an incurable disease, a disease beginning in an insignificant wound, developing without warning to its victim, and killing him in the most horrible convulsions ; to-day that disease is curable.

TUBERCULOSIS AND PNEUMONIA.—There are few up-to-date medical men who are not firmly convinced that it is only a matter of a few years, perhaps months, when some of the thousands of experiments that are being made with the too-familiar tubercle and the coccus pneumonia will result in a method of extirpation. These enemies are known, their ways of establishing themselves, and their conduct and habits are being studied with infinite zeal.

During 24 years of mortality experience the I.O F. has owed, of its total death claims, 16.39 per cent. to consumption and 10.03 to pneumonia—together over one-fourth of its total losses. Similar experience is common to all insurance companies—always more than a fourth die by consumption and pneumonia. When the cure is invented, perfected and made professionally popular, then the mortality lists of the past may be rolled up, and the Hm. tables of these days will be of use to the antiquary. and find a fitting place in the archives of a museum.

Expenses of Management.

Old Line and Fraternal Methods Compared.

The primary purpose of life insurance institutions is the payment of claims. When this result is accomplished by extravagent and unreasonable Expenses of Management, the beneficent object of the work is well-nigh defeated. The ideal method is that which is operated with a minimum of expense. The Fraternal Benefit Society is the only form of organization that accomplishes this. The following table compares the results for the year 1897 of the ten largest "Old Line" insurance companies, and the ten largest Fraternal Orders. It is taken from the annual report of the Insurance Commissioner of New York.

TEN INSURANCE COMPANIES.

Death Claims Endowt. and Annuities..	$64 000,133
Expenses of Management	38,852,649
Per cent. of Expenses to Claims	60

TEN FRATERNAL ORDERS.

Death Claims........................	$18,345,710
Expenses of Management	1,086,709
Per cent. of Expenses to Claims	5.9

If the ten insurance companies had been managed as economically as the Fraternal Orders, the saving would have amounted to the enormous sum of $35,076,642. This amount is a direct loss to policyholders in these companies.—*Our Home.*

$83,000 Unearned Salaries.

Insurers in one or two of our Canadian Old Line Companies have been struck by the fact that the controlling stock is held by a handful of reputedly wealthy men, whose capital, being stretched over a great number of enterprises, is like gold leaf, genuine, but beaten out rather thin. It has occurred to them that if a break should occur in some one of these enterprises, the value of the uncalled stock as a pillar of support to the policies would be nominal rather than real.

To objectors of this sort, the answer has always been given that in an old line company, when it has once really got under way, the security of the policyholder depends not on the subscribed capital but on the maintenance of the legal reserve. The subscribed capital of a long established insurance company often bears a quite insignificant proportion to the general assets and liabilities of the concern, even with all the watering and bonusing by which the original stock may have been augmented.

Indeed it appears that the real use of the stock is only as a float for launching the company, and enabling it to reach the open waters of insurance.

After the first difficulties are over, the stock is a mere incumbrance on the policyholder. It has the same value and usefulness in the growth and evolution of the company as the tadpole's tail has in the life of the frog. Unfortunately nature has not been followed in old line insurance, and the tail survives and draws nourishment.

Looking at the insurance reports we find that the ten Canadian stock companies operating under Dominion License and paying dividends, spent in this way during 1897, $83,773.70. This substantial sum represents no actual service performed during 1897 for the benefit of the policyholders. The eighty-three thousand dollars is an unearned salary, and should be in the policyholder's pocket.

The largest dividend-payer and the oldest established of the Canadian old liners paid in 1897, and habitually pays a dividend equal to twenty per cent. on the paid up capital. In other words, after five such dividends the stockholder has been paid back his advances to the company, and continues to draw a pension out of the monies derived from the insurance public. From the standpoint of the stockholder it is safe, profitable and permanent—an unearned salary in fee simple. From the standpoint of the premium-payer it is simply so much backsheesh.

A Phenomenal Performance.

The Finance and Insurance Chronicle dealing with the reports of the I. O. F. says :

"We think it right to give prominence to the fact that the business is conducted at a very low rate of expense, as the following will show :

	1894. £	1895. £	1896. £	1897. £
Premiums.......	197,286	214,763	260,161	313,964
Expenses.......	31,839	35,203	39,387	51,448
Rates per cent of expenses to premiums..........	16.1	16.4	15.1	16.4
Ratio to every £1,000 assured..	2.0	1.8	1.6	1.8