the company. The surplus grows even while the dividends decrease. Do not understand me as attacking this system, even though my own company no longer practices it. I am not here to attack any system. It has recently been defended in this State by a distinguished life insurance president. The glories of a growing surplus have been eloquently painted. There are, of course, humourous sides to the discussion. One company advertises an enormous surplus; another a very small one; another actually boasts of having none at all! All are equally good and strong companies. If a man holds a policy in each one, He gets as much dividend from the great company which says it has no surplus as from the equally great company whose advertised surplus is about 20 per cent. of its assets; and the dividend he gets from the third great company with a small surplus is no whit behind the one with the big surplus, and perhaps no greater than the one he gets from the company that boasts that it has none! And then the reforming State Governor has his own part in the joke; for when he comes to tax the big surplus, he is told that it isn't surplus in the common acceptance of the term, but a trust fund held for future distribution; and when he looks for a surplus to tax from the other companies, he finds the financial strength just as great, but is forced to fix a different basis of taxation in order to make his reform profitable to the public treasury. But meanwhile what does the policyholder think? What does he think surplus is? The same identical fund is called by one company a liability and by another a surplus. What is the agent to say? Is it a simple matter of bookkeeping? Then who knows how strong a company really is? And what do the conflicting advertisements of comparative strength mean? Is the confusion likely to increase public confidence in company statements or to smooth the hard path of the canvassing agent?"

Mr. Fiske referred in the following terms to President Alexander's recent criticism of the stock-rate plans —"which plans at least have the merit of stating the whole contract on its face, leaving nothing to the imagination, borrowing nothing from hope"—and his expressed preference for the mutual plan:

"Here, then, is the system: Charge mutual premiums with high loading to give a margin of safety, but with the understanding that the excess is to be returned as dividends; then defer the payment of dividends in order to get a big surplus for the security of the company. Of course, it is said this surplus is ultimately to be distributed. But when? The time, manner and amount are determined by the management, and the surplus always grows, though the dividends don't. And it has been said, with apparent truth, that the holder of a 20-year distribution policy who retires after nineteen years has been paying a mutual premium for a stock policy."

After references to the Commission and cut-throat question, competition, he said:—

"Here, then, is a fine field for competition; a fine opportunity for contrast, comparison, discrimination, abuse, misrepresentation and attacks by one company and its agents upon the rivals. Do you ever hear of such? How is it avoided? Let me give you some simple rules in force in most of the industrial companies:

An agent who misrepresents a policy is dismissed, the policy taken up and the premiums returned.

An agent who abuses or maligns another company is dismissed.

An agent who misrepresents the policies of another company is dismissed.

An agent who twists a policyholder from another company to his own is dismissed.

No superintendant or assistant is allowed to twist an agent from the service of another company to his own.

In case an agent voluntarily leaves his company, the other companies will not employ him in the same city in which he has worked until two years have expired. This effectually prevents the twisting of business.

No company issues any literature attacking any other company.

My brethren, consider the revolution in ordinary companies if their executives should adopt those rules. Competition there must always be and ought to be. But let it not be a reproach to us that ours is the only business in which solvent, well-managed companies may cast aspersions upon others equally solvent and well managed; where unfair comparisons, based upon tricks in annual schedules, are published broadcast; where employes of one company can be tampered with by another company; where men who ought to be brethren are put into bitter opposition; where the public, the common customer of all, is bewildered and disgusted by mutual accusation and reproach. Fidelity to the policyholder, fraternity among the agents, are principles which may safely be commended to you, gentleman, generous as you are in rivalry, faithful in devotion to your common interests, friends always."

Notes and Items.

At Home and Abroad.

Ottawa Clearing House.—Total for week ending Nov. 6, 1902:—Clearings, $1,972,102.08; balances, $552,279; corresponding week last year, clearings, $2,199,776.76; balances, $604,433.

The Chronicle Read the World Over.—Orders recently came to hand for the "Life Agent's Manual," advertised in The Insurance Chronicle, from China, India and Egypt.

New York 3½ Per Cent. Stock.—Comptroller Grout received tenders yesterday for $7,500,000 3½ per cent. sinking fund forty and fifty year Stock. Tenders varied from 104.63 to 106.16; 105.30 and 105.12 being bid for the whole amount.

Mr. Fred. G. Stone, late general agent of the Hartford Life Insurance Co., for New Jersey, who resigned previously to his sailing for an extended European tour, has returned home and accepted the general agency of the Sun Life of Canada.

Mr. Bradish Johnson, President of the United States Realty and Construction Co., has been made a director of the Equitable Life Assurance Society, to fill the vacancy caused by the death of Alanson Trask. Mr. Johnson is also a director in the Equitable Trust Company, of New York.

Of the 375 Vessels Entered at New York last month, 180 were British, 70 American, 48 German, the rest, 77, being of various nationalities. Of the 282 steamers, 131 were British. Of American exports there was only 8.8 per cent. earned in native vessels.

Accident Assurance, change of title. Mr. Hooper, publisher of "Accident Assurance," announces that in future the paper will bear the name "Assurance," the publishers and editors of which will be Messrs. W. E. Underwood and W. de M. Hooper. We wish the new firm good luck and immunity from accident.

The Odd Fellows' Mutual Benefit Association made application in the Superior Court, New Haven, last week, for the appointment of a receiver. The statement recently issued by the Association shows that it owes $60,000 and has only about $3,000 in the Treasury. The Association has been in existence since 1867. The cause of the present condition is the drop in membership since January last from 2,500 to 785.

Varieties of Life Insurance, by Morris Fox, actuary to the New Zealand Government. We are much indebted to the author for a copy of this publication, which in a pemphlet of 25 pages gives a brief but succinct synopsis of the main varieties of life insurance, which, says Mr. Fox, are "countless, but however complicated, are compounded of very simple elements." *Multum in parvo* seems to us an appropriate motto for this ably compiled brochure.