

from whom recruits for the British army are drawn below the average of the previous year. A decrease in the weight of recruits is very likely to have taken place as recruiting was active at that period and, it was found necessary to lower the standards in order to secure the numbers required.

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A Rap at "Rating Bureaus and Stamp Clerks."

President Washburn, of the Home, passed some pungent criticisms upon the system of "rating bureaus and stamp clerks" when recently addressing a convention at Chicago. His remarks are likely to be as sharply commented on. He thinks the system indicated is a growing evil as, if extended, management of the fire business will be in the hands of those whose only interest in it will be their salaries. How, he asks, can agents be expected to be attached to the companies they represent when they are daily receiving instructions from these stamp clerks or inspectors, or by whatever name they may be called, which they are expected to obey without reference to the officers by whom they are appointed, and whom they are supposed to represent? And how can managers of companies preserve their self-respect, or maintain any control of the affairs they are supposed to manage, and for which they are responsible, when rates and forms and conditions of insurance are dictated to them by these intermediate bureaus? The work of the special agent is being superseded by the rating bureau and the stamp clerk, and becoming of less and less value as the methods at present in vogue are more and more approved. It is an unhealthy tendency, and one which, unless counteracted, will prove destructive to the agency system. The special agent is the connecting link between managers and agents, bringing the managing and the executive ends of the line into close communion. His interests are identified with both company and agent, and no small part of his duty is to see that each understands the other, and that both work in harmony. This cannot be the case with the machinery now so much in fashion, when rate makers and stamping clerks have no interest in either company or agent, but simply perform a mechanical task, sometimes with fair qualifications for the work, but more often with less knowledge of the business than those whom they attempt to direct and criticise. But we are told that without some arrangement of this kind rates cannot be maintained; correct practices will not be observed; forms of policies will be conflicting; improper permits will be granted, and, in short, chaos will come again. This may be partly true, but there should be intelligence and principle enough in underwriters to prevent such a catastrophe. The system lends plausibility to the charge

that insurance companies form a trust. This is not and cannot be true while the way is open for the formation of independent companies by those who are dissatisfied with existing conditions. The agreements between companies, however, savor too much of the methods of labour unions, placing the good and the bad, the intelligent and the ignorant, the dull and the enterprising on the same level. While it is desirable and important that rates and practices should be uniform, it is at least doubtful whether iron-bound agreements and binding tariffs always secure the best results.

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Actuarial Advice. At one of the Sessions of the International Congress of Actuaries a "Report for the United States of America on the Growth and Progress of Institutions and Conditions Requiring Actuarial Advice" was submitted by Mr. D. P. Fackler, who, in the course of his remarks, said: "The rapid growth of American life insurance after 1860, brought with it a great increase in the number of forms of insurance, many of them so complicated that only persons of considerable actuarial knowledge can make the calculations connected with them. The computations required for policies may be said to be of four kinds, viz., those for the premiums, those for the reserve, those for determining the dividends and those for the surrender values. Several United States life companies now issue within the United States and upon first-class lives from 500 to 600 different forms of policy—that is to say, each one of these 500 to 600 contracts will require different actuarial treatment in one or more of the four respects above mentioned without reference to the age at issue. One large company doing business all over the world has—for each age at entry, at thirty-two—fully 1,600 varieties of contract, each differing in some important respect, as to require different actuarial treatment. In reckoning variations in policies only essential actuarial difference are noted; no account is taken of such minor matters as whether premiums are paid annually, semi-annually or quarterly. In some States the recent imposition of inheritance taxes requires valuations of testamentary life interests, which are often quite complicated, and in many States the laws requiring annual valuations of life policies by the State Insurance departments make a considerable demand for actuarial work outside of the companies' offices. All things considered, it may be said that the corporations and the fraternities, as well as the social conditions in the United States, present a large field for actuarial service." According to Mr. Fackler, actuarial instruction has so far received but scant attention in American universities, but a demand for it is now springing up and promises to be met.