

in the North British will allow this arrangement to take effect without a challenge, and I cannot imagine what justification the managers of the company can offer for this discrimination against them that will be satisfactory. It seems to me that the evil aspect of the rebate question is greatly intensified by the action of the North British. It is a bold bid for new business upon a principle inherently vicious, viz., granting privileges to one body of policyholders at the expense of another body, for without decreasing the profits of the older members of the company it is difficult to see how the officials of the "circumlocution office" are to have an equal share in the bonus. This, Mr. Editor, is one of the things that we "want to know, you know." Further, an additional risk must be borne by the older policyholders, in respect of the selection against the office that must be the inevitable result of the indiscriminate acceptance of the lives of civil servants; for he would be a rash man who should assert that these lives are above the average. Indeed, from personal observation, I should be disposed to say that they were not up to it. I regard the contract as reprehensible on another ground, inasmuch as it is a sinister method of increasing the expenditure, without affording the public the usual means of determining the measure of it. The managers of the North British may argue that they pay no agency commission, and therefore the arrangement is justified; but the reasoning is fallacious, for it is quite certain that the saving under the head of commission cannot amount to more than 7 per cent., and the company is consequently giving away to the civil servant from 8 to 10 per cent. of funds. The arrangement is moreover an injustice to the ordinary agents of the company, and I shall be surprised if they submit to it without remonstrance. I shall also be surprised if E. B. Harper does not take advantage of the North British procedure to enforce his arguments against the premium system of the older offices. If I am rightly informed, the North British has at sundry times, and in divers manners, expended a good deal of virtuous indignation upon the methods employed by many of its competitors in procuring business—and goodness knows that in some cases they were questionable enough; but the departure that office has taken in regard to the civil servants leads one to conclude that the managers

Compound for sins they are inclined to,  
By damning those they have a mind to.

#### AMALGAMATIONS.

Much has been said of late respecting the desirableness of amalgamation between offices, *i.e.* in cases where the one is relatively strong, the other relatively weak; and if rumor is to be credited, two highly respectable offices—the Royal and the Queen—are about to follow the example set by the North British and the Scottish Provincial. If the union should take place, an institution of great strength will be established. The combined funds—life and fire—would amount to £7,815,000; the combined life premium income would be £350,549; the fire premiums would be £1,702,791; and the interest £292,906.

#### ANTI-VACCINATION.

Your readers are probably aware that in England, for many years past, a well organized opposition has been conducted against the acts requiring compulsory vaccination. The opponents of the acts deny *in toto* the prophylactic and remedial virtues of vaccine matter, so positively claimed by the advocates of vaccination, and it is asserted that a large amount of disease and suffering is caused thereby. In several large towns, notably in Leicester, the act is openly defied, in spite of the infliction of pains and penalties, and in that, as well as in other towns, the magistrates have been more in sympathy with the delinquents when prosecuted than could have been expected. The arguments of the anti-vaccinationists have recently received support in a quarter quite unexpected. Dr. Creighton, who is a highly educated medical man, has written an article on vaccination in the last edition of the *Encyclopædia Britannica*, the tendency of which is decidedly adverse to the doctrines propounded by Jenner; and later still, Dr. Crookshank, a highly respectable

practitioner, has followed in the wake of Dr. Creighton. The medical profession is greatly disturbed by the heterodoxy of the gentlemen referred to, especially as an agitation has been created which has resulted in the appointment of a Royal commission to enquire into the working of the vaccination acts. The managers of insurance companies everywhere will doubtless watch the proceedings of this commission with great interest, for hitherto much importance has been attached to the question of vaccination, and it has been customary either to reject or to surcharge an applicant for assurance who has not been vaccinated, or had small-pox.

#### LIABILITY OF DIRECTORS.

An act was passed at the last session of Parliament, entitled, "*The Directors' Liability Act, 1890*." It is aimed chiefly against the promoters of bubble companies, which have sprung up in such numbers during the last few years, and by means of which thousands of innocent and trusting individuals, who relied upon the presence of great names in the prospectus, have been hopelessly swindled. The reports and valuations, *etc.*, of experts, *i.e.* of engineers, accountants, valuers, *etc.*, have been implicitly relied upon, and these reports have been too often of a wholly misleading character. The act, as it passed the House of Commons, provided amongst other things that a director or promoter of a public company should, in order to relieve him from pecuniary liability, prove "that he had reasonable ground for belief that the statement, or report, or valuation was made in good faith by the person by whom it purports to have been made, and that the person making it was competent to make it." This was a clause of sufficient stringency to cause company promoters and directors to act with circumspection at least; but in the House of Lords much discussion arose on the clause, and through the intervention of Lord Chancellor Holsbury the clause was amended, and now the Act directs that every director or promoter "shall be liable to pay compensation.... if it be proved that he had no reasonable ground to believe that the person making the statement, report or valuation was competent to make it." Without attributing any motives, I would remind the reader that the Lord Chancellor was sitting surrounded by a number of men who are directors of companies by the score, and to whom the ignoble epithet of "guinea pigs" has been more than once applied. Happily the day has long passed since life companies could be floated by speculators for the express purpose of deluding the public and enriching the promoters; but it may still be possible to bolster up a tottering concern by the report of an "expert," and to mislead interested persons by a one-sided statement. This danger in insurance circles is probably limited, as I believe it would be difficult to find an actuary of any standing who would run the risk of losing his professional reputation, by putting his name to a misleading report or giving an equivocal opinion. Anyhow, it is to be hoped that the Act will have a deterrent effect upon any possible sinner.

#### AMERICAN TARIFF LAW.

The passing of this law has undoubtedly created a considerable amount of disturbance among the mercantile community. There can be no question that many of our industries will be adversely affected by the operation of the provisions of the law, but to what extent and for how long a time remains to be seen. More about this subject anon.

#### VIGILANS.

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The German fire insurance companies (30 in number) seem to have done very well last year. They report net premiums amounting to \$13,646,750 and losses amounting to \$7,120,000, a ratio of 54.2 per cent. The paid up capital and reserve funds amount to \$67,887,285, including obligations of shareholders, which represent unpaid capital, and amounting to \$34,508,605. The premium reserve is about 70 per cent. of the net receipts. The surplus is stated at \$5,364,750.