

plete information could not be obtained in time for the present report. The inclusion of these will present no difficulty where it is possible to secure a line of quotations back to 1890, but where as in the case of certain articles already in the number, this is not found possible, owing to poverty of records, changes in industrial methods or consumption standards, etc., a difficult problem arises owing to the necessity of having all the percentages entering into the number on the same basis. In a number extending for any length of time this is a difficulty which is bound to occur and it is one for which no satisfactory solution can be found.

The London Economist's index number of average commodity prices as of September 1, was 2,407, that representing a rise of 21 points over August 1. An advance in the price of tin was chiefly responsible. The high record month of the present period was in May, 1907, when the index number touched 2,601. Compared with that time wheat shows a trifling gain, and oils, leather, and raw cotton are up substantially. But copper and lead are down 50 and 43 points respectively, while flax, wool, timber, iron, and tin are all much lower.

Following are the figures for the various months of the current year:

|               |       |             |       |
|---------------|-------|-------------|-------|
| January.....  | 2,373 | May.....    | 2,411 |
| February..... | 2,396 | June.....   | 2,362 |
| March.....    | 2,414 | July.....   | 2,386 |
| April.....    | 2,416 | August..... | 2,407 |

## LIFE INSURANCE SITUATION IN THE STATES.

### The Views of Commissioner Hardison.

To Part II. of the fifty-fifth annual report of the Insurance Department of Massachusetts, Insurance Commissioner Frank Hardison contributes an interesting survey of the life insurance situation in the States as he sees it.

The change in the life insurance situation during the past five years, writes Mr. Hardison, has been very gratifying. Then there was excitement, uncertainty, fear and distrust. To-day the companies then out of favour are proceeding in their work peacefully and successfully, having, to a great extent, if not fully, won back the confidence and respect of the public. All companies are issuing better contracts than before, for most of the objectionable "frills" have been eliminated, leaving plain, straightforward agreements for insurance. No longer can an appeal be made to the gambling instinct of humanity by offering deferred dividend policies, presenting estimates of gains twice as large as will ever be realised. The agent must be content with setting forth what the policy is and leave out the extravagant estimates. These better contracts, with the improvement in the financial condition of the companies, the savings from economies, the wiser administration of their affairs are of incalculable public value, for they promote confidence, curb the speculative tendency, lessen litigation and lift the whole business of life insurance up to a higher plane, where it can, without apology or blush, take its place among the other great business enterprises of the country which are improving the social condition of the people and aiding in the advance of civilization.....

Whatever the view of the past may be, there are few who would care to go back to the old conditions unless it be those who profited by the extravagances. The higher plane of transacting business which has been reached contributes to the peace of mind and physical well-being of the officials as well as to the gain of the insured, and while the officials still find it necessary to be up and doing in order to keep their respective companies in a healthful, growing condition, their work is not carried on in the dark as some of it by some officials used to be in the old days. Important questions are considered in the open, in their broader aspects, and with wider knowledge of the surrounding facts and conditions. The conferences of the heads of the companies, by means of the periodical meetings of their association, whose officials are engaged all the while in getting information on all questions relating to the business, are like the conferences of the insurance commissioners, of great benefit, for there many of the important issues are discussed, the special knowledge possessed by one upon a particular subject is made the property of all, and a feeling of fellowship engendered which mitigates the harshness of competition although it does not destroy legitimate rivalry.

There is little danger that this present satisfactory condition with respect to the financial management of the life insurance business will be impaired so long as there is wide-awake and thorough supervision, and the laws require the publicity which is now given through examinations and the annual reports. The danger, if any, lies in another direction. It is in the matter of contracts. Already there are evidences that some of the companies now generally being issued, and adopted policies now generally being issued, and adopted more complicated forms, which will afford talking points for agents, who will use a "frill" for selling a policy which the "prospect" would not take were the contract presented as straight insurance. It is in these "frills" that a danger lies, for they afford great opportunities for misrepresentation just as the old deferred dividend trimming on the policy gave a chance for the agent to fool the public on the real substance of his contract..... It would seem to be essential, therefore, to guard with great jealousy, the admission into contracts of agreements which are capable of being distorted so as to make the applicant believe that he is to receive a great benefit for practically nothing, or will receive under general conditions what he will be entitled to only in special cases.

There is a growing disposition also, says Commissioner Hartigan, to favour through the policies issued those persons who take large amounts of insurance. The question will, he considers, have to be met sooner or later by legislative bodies or the Courts, whether insurance at wholesale may be furnished at a less proportionate rate for substantially similar contracts, the expenses on which are substantially the same, than insurance at retail. He proceeds:—There is a tendency growing stronger each year to divide applicants for life insurance into classes of varying hazards, according to occupation, family history, personal habits, physical features, such as height and belt measurement, place of residence and the like. Though the applicant may per-