

the two conditions. This led Mr. Laird to the consideration of more complex cases, such as specific, pro rata average, and floaters with two conditions entering into conflict, which he treated in an exhaustive fashion. Specific policies having a condition stating "that if in the event of a loss there shall be another insurance covering the same property, subject to average, the insurance by this policy shall be similarly subject to average," were fully dealt with. Mr. Laird pointed out that in many cases such a clause might inflict a flagrant injustice on the insured when he was fully insured, and in such a case it is open to question whether it would stand litigation. Agricultural produce policies, timber policies with the zone limit, and the apportionment of extinguishing expenses, salvage corps' charges and fees were afterwards discussed in detail.

The annual meeting of the Glasgow Actuarial Society was held in the Accountants' Hall, 218 St. Vincent Street, Glasgow, on Monday, 1st March, 1909, at 8 o'clock, Mr. Wm. Hutton, F.F.A., F.I.A., president, in the chair, when the following office bearers were elected for the coming Session:—

President:—Mr. Stewart Lawrie.

Vice-Presidents:—Mr. David L. Laidlaw, Mr. W. Smith Nicol, F.F.A., Mr. Wm. Hutton, F.F.A., F.I.A.

Hon. Treasurer:—Mr. James B. Gibson, C.A.

Hon. Secretary:—Mr. R. Cumming.

Our London Letter.

STOCK EXCHANGE BUSINESS METHODS.

Innate Conservatism of Rules and Regulations—City and County Banking—Railway Combination Results—Insurance Topics—Special Correspondence of THE CHRONICLE.

A combination of circumstances—the slackness of business on the Stock Exchange, a squabble, with regard to new rules, which has resulted in the resignation of a number of the most influential members of the committee of management, and the attention which has lately been focussed upon the affairs of London "outside" brokers—has compelled attention once more, to the methods of business of the "House." In no other respect is the innate conservatism of the London Stock Exchange more exemplified than in its manner of conducting its business; and its rules in that respect, if not of the same cast iron quality as the laws of the Medes and Persians, show but little tendency to that "broadening down from precedent to precedent," which in the eye of some of the more staid and sober amongst us, is the ideal method of innovation and reform. The domestic squabble, which has resulted in the resignation of nine committeemen, follows as a matter of fact a change in the regulations regulating business with provincial exchanges—a change that was only carried out a month or two ago after a discussion that had lengthened out over an interminable period. The change was, in fact, an attempt to improve business—it is commonly known that Stock Exchange members have had some very lean years of late—but the question is now being asked, whether the tentative steps then taken are sufficient to meet the end in view and whether more radical changes are not necessary in order that the

Stock Exchange may cope with the new circumstances which have arisen during recent years. Complaint is made, for instance, that a whole army of middle class investors are entirely precluded from dealing with Stock Exchange firms and are compelled to take what business they transact elsewhere owing to their inability to get into touch with "House" people. The difficulty is no small one, as everyone familiar with the city is aware, and it has led to a renewal of the demand that members of the "House" shall be allowed to advertise. The suggestion is being actively backed in the newspapers (whose support to the proposal, if one may be allowed to say so without offence, is scarcely disinterested) and one of the financial dailies this week astonished the city by printing an advertisement of the kind suggested. People rubbed their eyes and wondered if some daring and hard-up member had defied the wrath of the committee in his determination to get hold of business by some means or other. On reference, however, to the leader columns, it turned out that the announcement was merely a suggestion of what in the opinion of the newspaper might be done. Apart from any question of newspaper interests, there really appears no reason why members of the Stock Exchange should not be allowed to advertise, even if it is in a dignified manner, and without the scare headlines to which the bucket shops have accustomed us. But to decide thus would be a revolution and the general attitude of the House with regard to changes was admirably summed up this week by an old broker who told a newspaper man: "Let's have good business and there won't be any more talk about new rules."

Effects of Banking Concentration.

Apropos of banking affairs, complaints are heard that the disappearance of the country bank under the wings of the large joint stock company is contracting local enterprise to a very considerable extent; that, in fact, it is impossible to carry out the development of our country towns in the fashion that was possible under the old régime. An official of one of our banks with a large number of branches in the south of England gives me corroborative evidence of this. "In the old days," he tells me, "the country banker knew everything and everybody in the town; if a man had security he got his loan; if he hadn't, he got it without any security; the banker, knowing all the circumstances, took his chance. But in these days, no security, no loan." Which gives to show that, whatever may be the effect upon developments in the provinces, the disappearance of the country bank has made way for a distinct improvement in the direction of care and conservatism in our English banking methods. And competition is too keen to allow of any legitimate business being refused.

As to Banking Competition.

Probably the most interesting banking speech during recent weeks was that of Mr. E. H. Holden, M.P., managing director of the London City and Midland Bank. *Inter alia*, Mr. Holden pointed out one or two directions in which the Post Office Savings Bank competes unfairly. While the banker, who invests deposits in consols which depreciate, has to provide for the deficiency out of profits, the Post Office merely leaves the deficiency