

demands that they should place it where it will yield the largest revenue. Is not this reason somewhat fallacious? And will such a course work out ultimately such results as will be of the greatest value to the agents? And are not the companies who are striving to maintain a minimum commission the best friends of the agent who proposes to make insurance his chosen profession?

Excessive commissions are perhaps the cause of most of the evils with which you are contending today. They have brought into existence a larger number of agents than is needed, thereby increasing competition; they have led to rebating (one of the most pernicious evils of your business), and indirectly to overhead writing. They are responsible for the creation of brokers, solicitors and a horde of middlemen who are depriving the agent of his just earnings. They have increased the cost of insurance and caused the criticisms and antagonism of the public; and the ultimate result has been greatly to the disadvantage of the agent.

I believe that if your association would be wise enough and courageous enough to agree to limit the commissions of all agents to fifteen per cent., or an equivalent, and would refuse to represent any company which offers more, making this a plank in your platform, you would do more to elevate the business, more to improve general conditions, more to serve your own personal interests as agents, and more that would insure the hearty co-operation of the companies and the general public, than by any other course that is open to you."

#### OUR NEIGHBOURS' VIEW OF AUSTRALIAN CONFEDERATION.

Of the recent resolution of the Australian Colonies to federate their interests and form a new, united and powerful nation in the South Pacific, the New York "Commercial Bulletin" of Wednesday last says:

Mr. Bell, our Consul at Sydney, has made a suggestion regarding Australian confederation which will surprise Americans and may cool their ardent interest in the growing nation of the South Pacific. Regarding federation as a foregone conclusion, though it was since he made his report that the two largest colonies voted in favor of it, he pointed out that a considerable federal revenue would be required, and that this could hardly be obtained from any other source than customs duties. There is a good deal of talk in the colonies of a preferential tariff by way of increasing the trade with the mother country, and the result of both these influences is likely to be the raising of tariff obstacles to our dealings with the colonies. In 1898 our total trade with them was \$21,000,000. A great part of this is with the free trade colony of New South Wales, and most of our exports to that colony are in competition with English goods. A preferential tariff in the interest of England might hurt us a good deal, and, on the other hand, we have observed

that the preferential tariff of Canada does not hurt us at all.

One of the difficulties of carrying federation in New South Wales has been the strong probability that it would involve a protective tariff. From the beginning, with the exception of two or three years quite recently, New South Wales has practiced free trade. She tried protection for a little while, but resumed her original policy very soon. Nowhere else in the world have the two policies of protection and free trade been tried for many years side by side under as nearly as may be the same conditions. Both colonies have prospered. The success of neither convinced the other that it had made a mistake, and in both colonies the policies are so thoroughly accepted by the people that they cut little figure in politics. A few years ago a combination of the labor element and the protectionists secured the control of New South Wales for a little while, but was soon broken up. In population and in wealth the free trade colony makes rather the better showing, and wages are higher there than in the protectionist colony, or at least the labor situation is such that there has been more emigration from the other colonies to New South Wales than from New South Wales to the other colonies. Victoria has had some advantage in manufactures, but these have never become very extensive while New South Wales has had very much the advantage in shipping and other forms of commercial activity.

#### THE FAT MAN IN ACCIDENT INSURANCE.

What sort of an accident risk is a fat man? Is he more hazardous than the thin man? Is he as good as the tall man, the short man, the scrawny man, he with the bicycle face or the fellow with the wash-board diaphragm? The advantage, or disadvantage, of a corpulent gentleman in the eye of the medical examiner for accident insurance was expounded by Dr. F. F. Laird, a well-known medical man of Utica, N.Y., who read a paper at the recent meeting of the International Association of Accident Underwriters on this quaint subject: "The Fat Man in Accident Insurance." As is known, the life insurance companies make use of an established table with a standard relation between height and weight and the rates of variation consistent with good health. This relation is summarised as follows: "As a rule, it may be laid down that an adult male, in good health, sixty-six inches in stature, ought to weigh 140 pounds avoirdupois. And for every inch above or below this height five pounds should be added or subtracted." As any applicant whose weight exceeds that found in the maximum weight column is ordinarily rejected by the old-line companies, Dr. Laird maintains that every accident company should regard overweight as an extra hazardous risk. He then gives his reasons for declaring fat men "dangerous" as life insurance risks. They are medicinally technical and about as