

uniform premium rates cannot be adopted. The practice of many of the American Life Companies goes to show the possibility of it being done.

The second question under this branch is:—What is to be gained by the adoption of uniform rates of premium?

I might answer this in the first instance by asking the question—Do the fire insurance companies derive benefit from their uniform or tariff rate? That they do experience benefit from it does not admit of a doubt. What is the benefit? The law of average is with them a fixed principle of great value in conducting the business. It has also an educational effect upon the people who come to recognize it as fair and reasonable. The law underlying Life insurance is equally as well ascertained, and it would be in the highest interests of the Companies to live up to it and educate the people up to it, instead of the too common practice in the other direction. I am of the opinion that the persistent working under uniform rate would in time gain for the companies the respect and confidence of the public. This leads, however, to my second branch:—

UNIFORM RATES OF COMMISSION.—Again the question naturally arises—Is it possible? I think it is though, perhaps not very probable, owing to the practical difficulties which surround it. However, before it could be done, much that now enters into the struggle for business would have to be eliminated, and if I may be permitted without offence to use the expression, some narrow views connected with supposed advantages by a slightly lower rate of premium or higher rate of commission would have to be laid aside. No one company can get all the business, while each company will get a share of it, whether rates of premium and commission will be uniform or not. It seems to me that a fairer share of the better business would be obtained under uniform rates of premium and commission than is obtained now under the prevailing practice. No thoughtful manager can look with anything but alarm upon the means by which business is sought to be obtained at the present time, and in my opinion, unless it is changed to a less costly system, great disappointment in the matter of results will fall to the lot of the policyholders. Is there one of the Managers present who has a doubt on the subject? I venture to think there is not. If that be the case, is not every manager bound to consider how the contingency I have mentioned may be averted? It will doubtless mean the giving up of a good deal in some cases, but would not the gain be worth the sacrifice? Of course much would depend upon the percentage which the commission would represent. If it were fixed at the high rates now paid, in some instances, it would not be worth while to enter into an arrangement for the uniform rate of commission.

Dealing with the question—Is it possible? I answer it is not impossible, though I think it would be extremely difficult to work it out in practice. One thing seems to me could be done if all were agreed, namely, to fix a maximum rate of commission on first premium.

What would be gained by the uniform rate of commission? In my opinion much in every way. Assuming that a fair rate of commission was fixed, one that would afford a fair living remuneration to the agent without dispoiling the policyholder, then that, which for a period of nearly two years this Association was trying to overcome, would be accomplished, and rebating would be stopped, and companies would be sell-

ing insurance not buying, as one might almost say. The commission would then be for the agent—not for the assured; brokers and brokerage commission would disappear, and new business would come in more largely through regularly adopted agents.

The adoption of unity by the companies in regard to these two things might readily lead to a different mode of remunerating agents on a commission basis, with such changes on the first and earlier premiums as would secure a more continuing business. The adoption of even the modification suggested in fixing a maximum rate commission would admit of this being done.

While not strictly connected with the subject I have undertaken to introduce, I venture to say that there is more in common between the life companies than in the case of fire companies, where united action seems to be quite possible, and yet it seems to be almost impossible to have that fact recognized by the life companies and secure cordial co-operation in our work, which I feel sure would be for the interests of all companies.

May I, therefore, venture to suggest that each manager respect all other companies in conducting the affairs of his own company. It is a poor way to succeed by pulling some one else down. I feel that the life insurance business and the persons engaged in it would gain in public esteem by a strict adherence to those principles which should guide men and gentlemen in conducting their business. An agent is not bound to advocate the interest of a rival company, but should be prohibited from, and, if necessary, punished for misrepresenting it, and the management should consider it an improper act directly or indirectly to take away the agents from another company. The interest of one company is, as a rule, the interest of each and all the other companies, and a long step forward will have been gained, if we all realize the fact, that we are engaged in a common work for the benefit of our common humanity."

NATIONAL BOARD OF FIRE UNDERWRITERS OF THE UNITED STATES.

The thirty-second annual meeting of the National Board of Fire Underwriters of the United States was held in the rooms of the New York Board, at 32 Nassau street (Mutual Life building), on May 12, Henry W. Eaton, presiding. Mr. Eaton is something of a pessimist, probably not without cause, for the fire insurance business in the United States, at the present time, is in about as chronic a state of demoralization as it is possible to conceive. Mr. Eaton was able to congratulate the board, however, that since the last annual meeting, the discriminatory tax measure in Iowa alone excepted, but little had been accomplished in the way of hostile legislation by the legislatures of the various states. There is something grimly humorous in that statement. It seems to be admitted that a certain grist of hostile legislation is to be looked for from the legislative mills in the course of a year, and that last year's output was not worth considering!

It was observed that the taxation of fire companies by the different states had become such a serious burden as to demand special consideration. In Dela-