

THE PASTERBOARD HOUSE, built with such an inviting exterior as the domicile of the assessment foundling some few years ago, begins to look very dilapidated. A good deal of the paint is off, the roof leaks, and sundry old hats do duty in place of broken window panes. Worse than all, the underpinning is giving way, and a good deal of unsightly propping up has been done, apparently with very little benefit. Some of the occupants have, however, begun to discover that the house is unsafe, and are wisely making preparations to move out. It did very well for them in fair weather and while the summer lasted, but afforded little protection from storm and cold. The Knights Templar and Masonic Aid Association of Cincinnati, after thirteen years of experience, has found out that a single mathematical fact outweighs a whole bookful of theories. Though this association was based on graded assessments, increased by five year periods up to age 61, and though its membership consisted of the best class of insurers, the increased mortality has begun to tell. Last year, with but 9 per cent. of the membership above 60 years of age, 28 per cent. of the mortality was of members who were 60 and upward. As the increase in assessment rate ceases at 61, it follows that the increased mortality thereafter is not met by increased contribution, and, hence, the deficit has to be made up by the younger members. Recognizing now most fully this injustice, the managers frankly admit the fallacy of the present plan, and propose a change of base, by which each member shall pay each year a definite premium equal to the increasing risk on the natural premium plan. This is a good example for some other associations.

#### HOW MR. HYDE'S PROPOSAL IS RECEIVED.

Mr. Hyde of the Equitable, as briefly stated in our last issue, amended his first proposition for an agreement among the six or seven largest life companies to reform the agent-stealing practices becoming so common, and extended his invitation so as to include all the companies, great and small. The objectionable practice belonged mainly to a few of the large companies, and for that reason, we suppose, Mr. Hyde put his first proposition in a form to include these, the principal offenders, of which he acknowledges his own company to be one. But it is manifest that whatever is done in the way of reform should be approved by all the companies.

It is no sufficient excuse for any company, be it large or small, to decline co-operation on the ground that it is and has been guiltless of stealing away the agents of other companies. If there are companies which are as innocent as they profess to be, then surely they cannot object to saying that they are willing to pledge a continuance in the ways of innocence. It doesn't discommode a total abstainer in the least to take the pledge, while his example and good fellowship may help his heretofore drinking neighbor to keep inviolate the pledge which to him was needful. We are sorry to see that Colonel Greene, the president of the Connecticut Mutual Life, apparently desires to

make his declaration of innocence in the agent-stealing practice a reason for his refusal to enter into an agreement such as Mr. Hyde proposes. After indulging in some severe criticisms on the management of the other large companies, and some not altogether modest eulogies of the management of his own company, Col. Greene says, as reported by the *Chronicle*, speaking of his company:—

It has nothing whatever to reform in plans, methods or results, and it has no occasion to make agreements about commissions until its competitors get down somewhere within range of its own low scale. That process, if it shall be really undertaken, it will watch with interest and with no little satisfaction that it has never wandered off on a road that has to be painfully retraced. It has been sneered at by these companies and their admirers as unprogressive. It hasn't, however, now to progress backward to some safe and profitable ground. It has been there all the while, and is doing a business that pays its policyholders on that basis.

Now, admitting all this to be true in substance, and ignoring the offensive I-am holier-than-thou tone in which the truth is expressed, it does not follow that Col. Greene, in behalf of his company, "has no occasion to make agreements" with the other companies, many of which claim an innocence quite as faultless as his own. If the conspicuous sinners are ready to acknowledge their sins and repent, why should not Col. Greene and the rest of the saints welcome the penitents and help them up to their own high place? Is it because these good people distrust the sincerity of Mr. Hyde and those in accord with him? We hope not, for such distrust, expressed or implied, is unworthy of honest or honorable men. The least that any man can consistently do is to take Mr. Hyde at his word, and act on the assumption that he means just what he says, until his actions prove otherwise. This refusal to enter into agreements for the good of all concerned, on the ground that somebody in the compact may prove to be untrue to his pledge, is childish in the extreme, not to say cowardly.

The simple questions before the life assurance companies of the entire country are: Do we need a general reform movement in the methods pursued toward each other with regard to agents, and is a uniform scale of commissions desirable? If either or both of these things need reforming, then why should not each company frankly say so, and agree to stand together on a platform of honorable dealing and safe expenditure. It will be quite time to deal with recreants when, if ever, the occasion arises. Mr. McClintock, the actuary of the Mutual Life, if correctly reported, does himself very little credit and casts an uncalled for slur on the managers, not only of other companies but of his own, when he suggests that sundry sharp practices may be resorted to in some cases. Should an agreement be made, by which the restrictions pledged will be evaded by the use of various dodges which he names. We confess to astonishment at such reasoning from such a source, which, of course, simply amounts to this, viz., that wholesome laws are never to be enacted because of the possibility that somebody may evade the law and go unpunished! If Mr. McClintock means to say that no reform movement is needed, that is