MILITARY SERVICE AND LIFE POLICY CONTRACT.

A paper on this subject read at the fall meeting of the Actuarial Society of America, held in Philadelphia last week, by Mr. John S. Thompson, assistant actuary of the Mutual Life of N.Y., traced the development of the attitude of the American companies toward military and naval service during the last twenty-five years, exhibiting the fact that whereas twenty-five years ago practically all companies employed a restriction against active service in the army or navy, almost all policies are now unrestricted in this respect. British policies until the beginning of the war were almost as liberal, but now contain a severe restriction designed to eliminate all such extra hazard. Companies operating on the Continent of Europe have evidently occupied a middle position. A common custom of Austrian companies, for example, in 1912, was to make the policies unrestricted up to a very limited maximum, which in no case exceeded about $6,000.

ONE EXPERIENCE.

A brief analysis was submitted of the experience of the Mutual Life of New York in the present European war up to the first of October. The total intimations to that date amount to about $400,000, including about $58,000 claims caused by the destruction of the steamship *Lusitania*. Of the total claims, about 40 per cent. were incurred at ages over forty-five, and slightly over 25 per cent. of the total were incurred in each of the age groups 26-35 and 36-45. Claims amounting to over $54,000, or about 13½ per cent. of the total, arose under policies issued in the United States. In connection with about $300,000 of the claims incurred knowledge was at hand as to the cause of death. Of these, about one-third were killed in active service, 12 per cent. died from wounds received from active service and over one-third died from illness and disease due to active service. The balance is accounted for by accidents to non-combatants. Classification is, of course, difficult. The indications are that, compared with other great wars, the rate of death from actual warfare is increased and that from disease decreased. The number of lives in this group was 87, of whom, 35, with about $150,000 insurance, were officers, and 33, with $70,000 of insurance, were privates. A rough estimate is made that the average extra mortality due to the war is about 3½ per cent. of the sum assured, which is made up of a minimum extra for officers of about 7½ per cent. and for privates of about 1½ per cent. of the sum assured, but these calculations are based on very limited data.

With reference to the experience of British companies, it is observed that in a group of ten, the war claims constitute about 10 per cent. of the total death claims. There is, however, more comment concerning depreciated and uncertain security values, heavy income tax and curtailment of new business than concerning extra mortality.

C.P.R's. gross earnings for the last ten days in October were $4,340,000 against $2,613,000 for the corresponding period of 1914, a gain of $1,727,000. The total gain in gross for the month was $4,159,000 or 45.5 per cent. October's gross earnings of $13,311,000 have been exceeded in only two months in C.P.R's history.

CAN'T DO WITHOUT AGENTS.

Another evidence has been given of the indispensability of the life insurance agent in the analysis made by an advertising journal of the results of magazine copy published by the Postal Life of New York. This company operates without agents, securing its business by mail—except that the bulk of it has been acquired by re-insurance of decadent companies. The analysis of the advertising was made to show the enquiries received from the various magazines and the business closed in consequence. The advertising journal was very much pleased with the number of enquiries received, one advertisement in a single publication resulting in 740 answers and another in 395. This shows that the advertising attracted attention, but the number of policies placed with the readers who took the trouble to write for information was pitifully inadequate. The 740 enquiries, the largest number received, led to only seven policies for $9,000 of insurance. Another magazine, which elicited 205 enquiries, failed to place a single policy. The Postal Life paid $42,233 last year for advertising and expended $32,422 for printing, stationery and postage, it sending a large amount of material in response to all enquiries. The amount of insurance placed was wholly disproportionate to this expenditure, showing that the personal intervention of the life insurance agent is essential to the closing of business.—*Insurance Post.*

THE FRATERNALIST'S DILEMMA.

A citizen of Chicago writes to one of the local papers as follows:

"I belong to a lodge and am insured in the same for $2,000. When I joined the lodge it was very reasonable, but now I am paying $10.20 a month for $2,000, and next month will be raised to $20 a month. I am getting old and can't pay that much. What can I do, as I would not like to lose what I have put in?"

Ths correspondent voices a question that many thousands have been eager to have answered. He describes the dilemna in which the older members of every fraternal society are in, with absolutely no hope except to hold on until death. Their assessments were moderate when they entered the order, but as time passed and the members grew older, deaths occurred more frequently than "new blood" was acquired to offset increasing mortality, and the assessments had to be advanced to meet the obligations in the form of death claims.

That is always the case with fraternal insurance orders. The wonder is that, knowing the fact, so many young men can be inveigled into joining these societies. They are winners only when they die young, for when their earning capacity becomes curtailed by sickness or the inevitable advancement of years, the assessments become a burden. If a member is unable to keep up the assessments he must drop out, in which case he loses all. Protests or outcries against his fate will not help him. He is worse off than the son of Erin who was cleaning a well; because he was not hauled up soon enough to please him, he threatened to cut the rope.—*Insurance Press.*

The Bank of England continued its official rate of discount yesterday at 5 per cent.