

(recently amalgamated with the Law Union), whose agent he had been for many years. It appears that like hundreds, nay thousands of his class, Mr. Barouche had, after introducing a few policies, become an absolutely unprofitable servant, having sent no new business to the head office for more than thirteen years. Now, as the Law Union had in Birmingham a more active agent, it was decided that the Crown agency should be absolutely cancelled. Mr. Barouche claimed that his commissions on the renewals remitted by him from time to time should be continued; but notwithstanding the fact that he had always remitted regularly the premiums he had collected, the judge ruled that he had not "the shadow of a case;" and accordingly gave his decision in favor of the company. It seems to be quite clear from this decision, and from other decisions that preceded it, that in the absence of any agreement to the contrary, an agent has no vested right in the commission allowed to him by a life company, and that the managers of such a company are legally justified in cancelling an agent's appointment without compensation.

THE CIVIL SERVICE AGENCY

of the North British and Mercantile life office, respecting whose transactions with the civil servants so much comment has been made, appears to have succeeded in placing a considerable amount of new business upon the books of the office.

According to the *Civilian*, one of the organs of the service, the policies effected under the scheme numbered 6,150, carrying assurances to the amount of £2,000,000 or thereabouts. In the year 1891 the new business seems to have fallen off somewhat; but as the 14th of next September is the day fixed for the termination of the compact whereby lives are assured without medical examination, a temporary impetus will probably be given to the new business of this year.

THE BONUSES OF THE FUTURE.

This is a subject that is now exercising the minds of writers upon life assurance in a greater or less degree. The attention of the public is frequently called to the declining rate of interest earned by the life offices in Great Britain, and likewise in America. Taking Bourne's "Handy Assurance" as authority, it will be seen how materially the rate of interest has fallen since the year 1887, at least this is the experience of most companies; and it is being pointed out that intending assurers should take note of this very significant fact, and not be led away by the statements of agents respecting the bonuses that have been declared in the past; as it is quite certain that a diminution of the rate of interest on investment will lead to a corresponding diminution in the rate of bonus. The chief object of an intending assurer should be to select a good, substantial office, whose premiums are moderate, and whose conditions all round are conceived in a liberal spirit. And it is quite possible to obtain the needful information now-a-days.

IMPAIRED LIVES.

At the meeting of the Institute of Actuaries held on the 29th ult., Mr. Manly the actuary of the Mutual Life, London, submitted a paper which was entitled, "An attempt to measure the extra risk arising from a Consumptive family history when the life proposed is physically sound and healthy." The writer of the paper was careful to explain the limited nature and value of the statistics he presented, as they had been compiled solely from the records of his own office; that the lives under observation had been a peculiarly select class; and that therefore the conclusions arrived at could be applied only to a class equally select. It appears that upon the basis laid down by Mr. Manly, the following may be taken to be the results of the investigations made by Dr. Glover, the company's physician, and himself: 1. That the increased mortality that was experienced, presumably under the influence of heredity, did not exceed, in the two classes, yielding the most unfavorable returns, 25 per cent. of the mortality expected under the Hm. table; and that in other classes where the influence of heredity might, according to received notions, have been presumed to be almost equally powerful, the mortality did not reach the expectation. It is evident therefore that the extra risk that the company incurred in taking what were unquestionably second class lives, as first class, is measurable, and might have been covered with a comparatively small additional premium.

The conclusions that Mr. Manly has recorded, it is to be hoped, will lead to the fulfilment of the desire he expressed that other offices should undertake similar investigations, in order that the basis of observation may be greatly enlarged, and render the deductions of the inquirer more trustworthy. Whether the various offices can agree upon such a course, with a view to a combination of experience and the establishment of a uniformity of treatment of under-average lives, appears, however, to be doubtful.

VIGILANS.

LONDON, March 16, 1892

THE LOCAL AGENT AND TRANSFERS.

EDITOR INSURANCE AND FINANCE CHRONICLE:—

As a young agent who hopes eventually to develop into a full-fledged fire underwriter, may I be permitted to point out what appears to me objectionable in the practice adopted by some companies of assenting to endorsements of transfer and removal without the knowledge of the local agent, *i. e.*, when policies are sent to head office direct from the assured? As a local agent I object, because ignorance of a transfer until the renewal sheet comes up may result in my losing a risk I might otherwise have retained. From the company's point of view I see two serious objections:

1. Physical.—An application was made on contents through my office and recommended by me, and policy issued some time ago. I am surprised to find that my company since the issue of the policy has assented to a transfer to a building which, although appearing favorable on plan or diagram, possesses features which have caused me to decline touching it before.

2. Moral.—I receive a renewal receipt for a party known to me as utterly unreliable and who has already profited on more than one occasion by fires. My company has actually been granting protection to a man from whom I would not dream for an instant of entertaining an application. Being convinced that only those should be appointed as agents who are men of intelligence and reliability and who will conscientiously guard their principal's interests, I consider that companies best protect themselves when they insist that all business pass through the hands of the local agent, who alone is thoroughly conversant with all the features of the case. Though it may be deemed quixotic in these matter-of-fact days, I assert that there are agents who can be relied upon to protect their companies' interests, even although it involves an occasional pecuniary sacrifice.

Yours truly,

ROUGH DIAMOND.

Notes and Items.

The city of Vancouver has lately purchased a chemical fire engine with a capacity of 100 gallons at a cost of \$2,740.

The town council of Virden, Manitoba, has added to the safety of the property in that place by the purchase of a \$300 fire engine and 500 feet of hose.

It is stated on what seems to be reliable authority that the British and Foreign Marine insurance company has absorbed the Standard Marine of Liverpool.

The losses paid in Maine in 1891 by the assessment life associations amounted, on the average, to about \$19 on each \$1000 of the mean assurance in force.

As the result of an investigation by Prof. Henry Morton, the New York Board of Fire Underwriters has condemned the Edison system of grounding electric wires in that city.

The Ohio Beneficial Society of Cleveland, one of the brood of one-year endowment swindles, has collapsed, and a goodly number of dupes in the vicinity of London, Ont., mourn the loss of their money.

The number of alarms responded to in 1891, by the Toronto fire department was 442 and the total fire loss \$210,116 on property insured for \$1,150,206. In 1890 the loss was \$487,186, insurance \$1,184,473. The fire department has 112 men. There are 15 hose sections, 3 hook and ladder sections, 1 truck, and 1 chemical engine, and 14,900 feet of servicable hose.