

Surely there can be no reasonable talk of a deficit actuarial or otherwise, or of financial difficulties in our insurance system, in view of an accumulated reserve fund of \$500,000,000. especially if our insurance laws continue to be carried out properly, and every abuse continues to be promptly and effectually met. I am of the opinion that a compulsory national insurance system does not require the complicated method of figuring in advance exact final costs which of course must be part of a voluntary insurance system, but remains always a factor of uncertainty.

Men sufficiently familiar with this subject to judge are unanimous in pronouncing the underlying principles of the German insurance system thoroughly sound, and in declaring the system a wonderful factor in establishing for the whole nation a higher level in culture and industrial efficiency. Practically every one agrees that the shortcomings of our insurance system are extremely small in comparison with its wonderful advantages and especially in the compulsory feature responsible for a growing spirit of thrift and economy which is full of importance and promise for the future of the nation.

Wishing the National Association of Manufacturers a successful annual convention, I remain,

Sincerely yours,

DR. ZACHER,

Director German Imperial Statistical Department.