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? WHY THE WEATHER ?

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GROWTH OF RAIN INSURANCE

The Labor Day period, with its great umbrella of rain insurance, formerly closed the pluvius insurance business of the year. Last fall, however, the business continued, and, with the ever increasing volume of users, it bids fair to become well established as a year-round line for insurance men. Such a new and valuable type of protection as rain insurance has not escaped its parasites during this youthful period. The companies began to write such policies before knowing for each place and each portion of the day what the chances of rain were. Their rates were placed as low as they dared, and undershot the mark. Gamblers took hold quickly and many reaped a harvest. Forecasting a week in advance came very strongly into demand, for the insured was not required to apply more than five days before the date to be covered. With the aid of the occasional weekly period in the weather and a judicious use of the Weather Bureau's weekly forecasts, some men got considerable excitement and not a little profit at the expense of the insurance companies. The companies, however, were not slow in correcting their difficulties. They increased the advance notice period to seven days, and undertook a cooperative tabulation of hourly rainfalls for all the rainfall records available for all stations in the United States. The immediate result was a general rise in insurance rates for many localities and an adjustment of the rates to fit the varying rainfall probabilities for the different hours of the day and the different months. Jointly, the thirty companies writing rain insurance in the United States are well on the way to solving the difficulty of obtaining satisfactory observations at the time and for the place covered by each policy. They are combining on a specified observer in each place where insurance is sold.

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