

INSURANCE COMPANIES MIGHT FORESTALL GOVERNMENT

President of British Columbia Federation Suggests that they Take Immediate Action to Prevent Government Insurance

Insurance men throughout America regard with great concern the movement in favor of government insurance. Mr. H. C. Cox, president of the Canada Life, referred to this question at the company's annual meeting a few days ago. He stated that insurance men would look askance at any movement to tear down the great organization which had been built up by private companies as a result of long years of effort. At the same time, he said, they must be willing to discuss the subject and maintain the merits of the existing arrangement.

Mr. William Thompson, president of the Insurance Federation of British Columbia, has addressed a letter to the members of that organization urging that life and accident companies should evolve a plan for continuing the insurance of war veterans who have become physically unfit to secure insurance in the ordinary way. He maintains that if the companies do not do this it will be done by the government, with the result that the thin edge of the wedge of government insurance will be inserted. The letter reads:—

"At the beginning of the New Year, it might not be amiss to write you in regard to the outlook, before the Insurance Federation of British Columbia, for 1919.

"Every thinking man will admit that we will be inevitably faced with serious and far-reaching problems, as the result of the readjustment that has commenced, with the advent of peace.

"The newly-formed Farmers' Association is advocating for the Dominion, inter-alia, a system of life insurance for returned soldiers who are physically unfit.

"Nearer home, Major (Dr.) McIntosh, M.P.P., advocates accident insurance for returned and incapacitated soldiers in British Columbia, that could in his opinion, be added to the duties of the present Workmen's Compensation Board.

Companies are Interested

"The underlying principles are commendable, and worthy of our support. Is it not, however, only reasonable to suppose, that if the above schemes are inaugurated, and prove successful, that their scope will be enlarged at a later date, to the detriment of the insurance companies? Is it not, in the most insidious form, likely to prove the insertion of the thin end of the wedge? Would it not be fitting for us to at once impress upon the life and accident companies the wisdom of their undertaking this necessary work—at cost—no commission to be paid agents—as a patriotic duty to returned men as the primary motive; and the elimination of governmental invasion of these important insurance fields, as the secondary consideration?

"It is clear that the war has introduced a new element into the business, and it is equally evident that this insurance must be available for those men who want to purchase it. I think that it would be a statesmanlike action for both the life and accident companies to immediately evolve some concrete plan, satisfactory to all interested parties, and offer their organizations to carry it out, on an absolutely cost basis. If delay occurs, there is grave danger that the schemes will become political issues, and the greatest opportunity in this age, to popularize corporate insurance, will be lost.

"At the present time those in favor of state fire insurance are publishing in the Ontario papers the results of the New Zealand operations, laying stress upon the point that since the introduction of this competitive system in that country, rates, in some instances, have been reduced about 40 per cent.

"The object of this propaganda is clear—governmental action has already been taken on this continent in regard to life, accident and marine insurance—and it is desired to create a favorable 'atmosphere' so that the fire business will be similarly treated. The New Zealand results are hardly a

fair criterion by which to guide North America, where mercantile and industrial conditions are vastly different, and further, they forget entirely to mention places where the system has proved a failure.

"Our federation is an organization of agents, and is essentially defensive, pledged to prevent to our utmost, the passage of legislation inimical to the best interests of the insurance companies, which must logically, also prejudicially, affect us. It is, therefore, doubly necessary for us now, when our business is likely to be continuously and unfairly attacked, to be ready to strike well home for the recognition and preservation of our rights, also to deal immediately and effectually, with any emergency that may arise.

"The ensuing year is likely to be a critical epoch in insurance history, and we must, therefore, be alive to the issues. Insurance men do not ask for preferential treatment, but they are entitled to see that their business is not made a football of between political parties, each anxious to curry favor with those of the more aggressive of the socialistic type.

"Threatened as we are, by perils from within and without, I therefore specially appeal for your support of the vital defensive work of our Federation, to the limit of your capacity; because, we may be called upon at any moment to act as a unit, to insist upon the withdrawal of pending legislation framed—not because it was either necessary or fair—but merely that someone should gain political kudos by its introduction."

BONUS FOR CIVIL SERVANTS

The government has decided, on the recommendation of the Civil Service Commission, to pay for the current fiscal year (1918-1919), in view of the increased cost of living, a bonus to the civil servants of the Province of Ontario now in the employ of the government, to be apportioned as follows:—

\$200 to married men and to widows and widowers with dependent children.

\$100 to other employees.

While the bonus is paid for the fiscal year 1918-19, those eligible for the full amount must have been in the employ of the government since November 1st, 1917. Those who entered the service since that date and have served at least three months before November 1st, 1918, will receive a proportionate allowance. The bonus does not apply to part-time or seasonal employees, or to those who receive maintenance assistance.

NEW LIFE PRESIDENTS' ACTUARY

Mr. George W. Smith, of Boston, actuary of the Massachusetts Insurance Department, has been appointed actuary of the Association of Life Insurance Presidents, following the recent resignation of Mr. John J. Brinkerhoff. Mr. Smith will assume his new duties about February 1st.

Actuary Smith was born at Woburn, Massachusetts, May 1, 1884. He was educated in the Woburn public schools, and was graduated with the class of 1903 from the College Preparatory Department of the Woburn High School. He then entered the actuarial department of the New England Mutual Life Insurance Company, of Boston, and continued there five years under Actuary Herbert B. Dow, who was then and still is Professor of Insurance at Harvard University. During that time he became thoroughly conversant with the practical detail of a well-managed actuarial department and at the same time engaged in outside study courses in Boston and at Harvard University. He was appointed assistant actuary of the Massachusetts Insurance Department on March 22, 1909, under Commissioner Frank H. Hardison, which position he continued until he was appointed actuary of the department in February, 1917. A large part of his ten years of service with the Massachusetts department has been in the life insurance branch of the business.