

be sturdy supports for a most demoralizing feature of modern life assurance. Even the unqualified condemnation of rebate by this distinguished insurance president, and the co-operation of colleagues equally famous for their ability to accomplish whatever they may undertake, has failed to deal a decisive blow at the reprehensible practice of rebating.

What is thought of rebating by the managers of reputable companies is best expressed in the manual of instructions to agents issued by one of the best of them in which it was stated that, broadly defined, rebating is "any process by which an individual is enabled to obtain the same contract of insurance for less money than his neighbour." It removes the equality, which is the essence of mutuality. Its practice, when considered by any right thinking honest man, is an offence against common business sense, a deviation from the principle upon which companies arrange schedules of commissions, and an outrage upon policy-holders who effected insurance on their lives in a period anterior to the existence of this unfair and practically dishonest method of securing new business.

But let us retrace our steps in search of evidence of that which has been done regarding rebate. When President McCurdy of the Mutual claimed at Cleveland to have been the means of reducing rebate to its "last legs," the New York Life proved the paternity of the Rebate Bill upon President John A. McCall, to whose measure for dealing with this evil the Insurance Superintendent of the State of New York promised hearty support. Thus we see both these eminent men evincing a desire to be the champions of those who by resolution sought to cope with this scandalous abuse of an otherwise honorable profession. But the remarkable genius of President McCall and the energetic fist of President McCurdy have, in this instance, proved powerless to kill and bury a scandalous practice now threatening by reason of its age to become a common custom.

However, the failure of the Crusade undertaken by Christian powers in the 11th century for the recovery of the Holy Land from the Mohammedans did not deter the leaders of similar expeditions from similar crusades in the 12th and 13th centuries; and we decline to believe that the crusaders, the McCalls and McCurdys of the world of insurance, will be daunted by finding this evil again rising like the fabled phoenix from its ashes. Let us use simple language in describing the disgraceful and scandalously unfair features of a system to which some companies appear to be wedded, and whose methods if persisted in will yet have to be chronicled as an example to those tempted to compete with them on the same lines. The following illustration will suffice:—

The concession known as rebate is not a rule of any reputable assurance company. The deficiency it causes in the legitimate income of a company is made up at the expense of the general body of

policy-holders. The man who is allowed a rebate is virtually receiving assurance for a certain period free of charge or at a reduced rate, and during such time the company is running the risk of having to pay the amount of a policy for which it has had no equivalent. No good, sound, reputable company can defend such a practice, and any policy-holder knowing himself to be insured in a company engaged in practically giving away policies for a limited period for the sake of the nominal increase in new business would be fully justified in declining to have his interests jeopardized by the granting of "concessions" which no company dares to advertize.

Those engaged in the earlier attempts to suppress this abuse were met with a statement from the evildoers that rebates are a form of low rates for life assurance. The dishonesty of such a contention, the flimsiness of such a defence provokes only contempt for any one attempting to seek shelter behind such barricades. Will any company now permitting its agents to surrender 50 to 75 per cent. of their first year commissions to new policy-holders boldly advertize:—

#### NEW SYSTEM OF LIFE ASSURANCE.

Policies issued\*for the first ½ year

**FREE.**

Come One.

Com All.

No, the theory that rebates are merely a form of low rates is quite untenable, the distinction between them is one of principle and admits of no compromise.

The audacity of genius may succeed in framing new and attractive policies; but the practice of rebating, of issuing a policy for a limited period for nothing, whatever shape it may take, must remain a creation of dishonesty.

If the executive officers of companies in their greed for business will not eradicate the rebate evil, perhaps reputable agents throughout the country might deem it desirable to take some steps in connection therewith. It is difficult to conceive how intelligent, honorable officials can, for a moment, countenance a practice at once demoralizing, unfair, and discriminating. A diminution in the number of agents, a graded scale of commissions extending over some years, less greed for business, (a large proportion of which does not stay), a better understanding between chief officials of companies, greater loyalty towards each other, and less petty jealousies, are all factors, more or less important, in connection with the abolition of rebates. We shall be glad to receive communications upon this important matter from those most interested therein.

BANK OF TORONTO.—The branch of this bank at Rossland, B.C., was opened on the 1st inst., under the management of Mr. A. B. Barker, formerly accountant at the office of the Bank of Toronto in this city.