

EDUCATING THE PUBLIC IN LIFE INSURANCE.

Mr. A. J. Meiklejohn, of Ottawa, president of the Dominion Life Underwriters' Association, was the principal speaker to the Montreal Life Underwriters at their meeting on Monday night, and referred to the necessity of educating the public in the matter of life insurance. Mr. Meiklejohn said that those in the insurance world were now working under conditions which were very unfavorable. They had to deal with a public who were, to a great extent, ignorant of the laws and conditions of insurance. The ordinary man, even to-day, failed to realize that life insurance was a necessity. He was also ignorant as to the best means of selecting the best policy for his particular requirements, and few knew that there was such a thing as "Income policies."

They were also laboring under an agency system, which was not wholly a credit to the business. The agency system at present in vogue in Canada could stand a deal of improvement, so far as system was concerned. He was sorry to say that the agent of to-day was looked upon with a certain amount of suspicion by prospective customers. The agent had to fight his way, so to speak, to gain an audience, and often after he had gained it, he was given the cold shoulder.

MUST IMPROVE CONDITIONS.

The question was how to improve these conditions so as to be able to work in such a way as to appeal more directly to the people than they did to-day? It was, he was afraid, going to take some uphill work and much energy, but the difficulty could and would in time be overcome. There were many big men in the business who should be brought in to the Association. The success of the Association, Mr. Meiklejohn said, depended upon the rapidity with which they could recruit and add to the present list of membership. The members were themselves doing well under the rules which governed them and they should feel that as they were doing well and convinced that the Association's objects were for their mutual good, that they should get right out and bring in others. They must teach the public that life insurance was a necessity, and that every man owed it to his wife and family to protect them against the chance of his premature death. He must also be in some way taught the importance of selecting the policy that would best serve the object he had in view. That important fact was often lost sight of. It was not sufficient for the agent to be able to write insurance, but to be capable of advising the insured as to the selection of the best policy for on that depended the satisfaction of the insured and the continuity of payments.

In conclusion Mr. Meiklejohn said that there was only one way, in his mind, of accomplishing their desires,—that was by instructive advertising in the daily papers, magazines and trade papers of the country. They must reach and educate the people of the Dominion, and then they would find it not nearly so difficult to approach them. He also believed that they should endeavor to have lectures on insurance delivered in the large schools and colleges.

The chair was occupied by Mr. George E. Williams, president of the Montreal Association.

Mr. C. W. I. Woodland, Toronto, joint manager of the Employers' Liability Assurance Corporation, Limited, was in Montreal this week.

REASONS WHY FOR MUTUALISING THE PRUDENTIAL.

Policyholders of the Prudential Insurance Company of America have been called to meet on December 7, to vote on the proposed mutualisation of the company. Every policyholder above the age of 21 and whose policy has been in force at least a year will be able either to attend the meeting and vote or send a proxy. A statement regarding the reason for mutualisation has been sent out to policyholders by President Forest F. Dryden, who says in part:—"The plan of mutualisation was adopted in the belief that it would inure to the welfare of the Company and would result in substantial benefit to its policyholders. As the proceedings have progressed we have become more firmly convinced of the correctness of these conclusions."

"While the Company must maintain an impartial position in connection with the policyholders' meeting, it is nevertheless proper at this time to advise the policyholders of the reasons which have actuated the management in instituting the proceedings and carrying them to their present stage."

"The mutualisation of the Company will provide for the election of directors by the policyholders, which will insure for all time a continuance of the uniform practice of the Prudential to accord to its policyholders the greatest degree of liberality commensurate with safety."

"When mutualisation is effected, distribution of the surplus earnings of the Company will include all its policyholders, both participating and non-participating. While under the existing low rates, the net cost to the present policyholders may not, at the outset, be greatly reduced on account of mutualisation, nevertheless every dollar earned by a continuance of the sound and economical conduct of Prudential affairs will, from the very beginning, be credited to the policyholders as the owners of the Company."

"We believe that the substantial benefits to be gained through the acquirement by the policyholders of the stock at a price judicially ascertained to be fair and reasonable will appeal forcibly to them and will induce them to give approval to the plan."

BRITISH COLONIAL FIRE INSURANCE COMPANY.

The British Colonial Fire Insurance Company, whose head office is located at Montreal, appears to be making satisfactory progress under the management of Mr. Theodore Meunier.

The British Colonial, which is a tariff company, received its Dominion license two years ago and has since carefully conducted its business on conservative lines and well within the limits of its capacity. Prompt settlements and honourable dealings ensure for it an increasing popularity both with agents and policyholders. From the way in which business has developed during the first nine months of the present year, it seems likely that for the whole year an increase over 1913 of something like 150 per cent. in net premium income will be made. Under present circumstances an increase of this substantial character forms a particularly favorable showing.

The average State rate of taxation on life insurance premiums in the United States exceeds 1½ per cent. This does not take into account the numerous municipalities which, by an act of the legislature, are also empowered to exact taxes and license fees.