

By G. W. Ogden Copyright 1920

your father know—doe...
nobody else. It is...
everything to me."

CANADA LIFE IN 1920

CANADA LIFE policyholders are scattered far and wide, and it is with the desire of reaching them in the quickest and most accessible form that this report is being published in the newspapers by the Company.

CANADA LIFE BUSINESS IN 1920

President Reviews Financial Statement

The unusual demand for life assurance which developed in the previous year continued without abatement almost through 1920 and our own institution was enabled to issue \$63,800,000, thereby making a new high record for any one year and bringing our assurance in force up to \$77,000,000.

been submitted to a most thorough and exhaustive examination at the hands of the Insurance Commissioners of Michigan, Illinois, Pennsylvania and Minnesota, whose representatives jointly and concurrently spent several weeks in the home office.

THE PRESIDENT'S ADDRESS

Mr. HERBERT C. COX REVIEWS BUSINESS OF 1920 CANADIAN CONDITIONS FAVORABLE FOR FUTURE

In the early part of the year general business conditions continued much as they had been in the previous twelve months. Bank deposits were growing; commercial credits were increasing, although under keen scrutiny; manufacturers were placing enlarged orders for raw materials, wholesalers and retailers were striving to implement their stocks, labor through the strikeless forcible means, was demanding and receiving higher wages;

competition of long-term Government and municipal securities, which can now be obtained at unusually high prices. Without disparagement of these institutions, which are bearing the burden of a condition for which they are in no way responsible, it is fair to say that the commutative value of the pension normally payable to its dependents, it is conceivable that in many instances the commutative value will be reduced by the amount of the insurance to be deducted by the premium paid.

OF INTEREST TO POLICYHOLDERS

GROUP INSURANCE

Netwithstanding payments to policyholders during the year amounting to \$8,254,883, the assets were increased by \$4,756,688. The assets of your Company are in the very best class of investments. For instance, bonds of the Dominion and Provincial Governments now represent 22 per cent. of the total assets, having been increased by three million dollars during 1920.

Weather conditions in the West were generally favorable in Manitoba, although the area under cultivation was somewhat smaller than in 1919. The winter of 1919-20 was extremely severe on stock, the reports this year indicate unlimited pasture and hay, and while the production in the number of hogs, there is an appreciable increase in stock in the northern districts, though the results have been on the whole agreeable in the northern districts.

Health Conservation

There has been held in Canada during the past year many important conferences and conferences of some of them looking to a greater development of trade within the Empire and kindred subjects, while the latter is of moment to the life assurance companies, as anything which tends to raise the standard of health and morals bears directly upon their success. The companies themselves exert an influence for good upon the nation, health, through medical examinations, which embrace a growing percentage of the population each year, and include in several instances the examination of the insured upon intimation of the assured's desire. Many impairments, greater or lesser, disclosed by these examinations, are brought under proper medical care and removed. Several companies now maintain their own qualified nurses and place their members without charge. All efforts bearing upon improved health, whether made by permanent health officers in municipalities, or by executive with keen interest by insurance executives. Fresh air, properly directed exercise, and mental recreation are recognized as the best means which have been made available to greater numbers through the medium of our military regiments and their prototypes in other branches of the military viewpoint of preparedness, that every possible encouragement and support should be given to the Government in these regiments, even though such support may and does entail considerable charge upon the country, since the health of the nation is a well-kept secret.

Business is Recovering. This process of recovery from what was an artificial set of conditions created by the war, under circumstances attending the war, though distasteful, is necessary if we are to return to a sound and sane basis. It is unavoidable that in the operation there will be hurt alike those who have benefited and those who have lost. The disappearing conditions, but the silver lining of the cloud must at last become apparent and four to be the normal viewpoint and a normal standard of living and working conditions. The company's interest in the appreciation of values and a greater inclination to give and to demand a fair exchange, whether of commodities or labor, is a policy which the man in the shop is entitled to a reasonable share of the profit which he assists in producing. The full extent of his knowledge and efficiency, and while it would seem that, in sympathy with the company, the Government should have evolved for his advantage what conditions.

Immigration Policy

Proper scrutiny and careful selection of immigrants are safeguards which are too often overlooked in the desire for increased population. The best policy is to turn away from the border would-be citizens of unfavorable physique and morals, or better still, to sift them out before they leave their country of origin, than to allow them to enter and become a burden to the community. It is to be hoped that the Government will be able to inaugurate an entire district with some objectionable infection. Granted that the individual income should be free from taxation in larger volume and more quickly than natural increase can be maintained, the history of the past few months have shown an important accession in this direction, but one that is not to be sacrificed to quantity of quality. The views of the representatives of the British Press Association and the British people are laboring as cheerfully as they make events in relation to our future. Both bodies made extended tours from their respective countries, and were placed at their disposal to enable them to learn at first hand not only of our natural resources and potential wealth, but of our manufacturing successes, of our banking and financial system, of our social and educational institutions, of our home life and our recreations. In fact, they returned to their respective countries with an intimate knowledge of Canada and her people, of her aims and possibilities, and had for the first time a new, keen and thoughtful observers, cannot fail to broaden the sympathy between the two countries and result in a wider interchange of opinions and commodities to the great advantage of both.

Some years ago attention was directed to the taxes imposed by the various Provinces upon premium incomes of the life insurance companies within the respective Provinces. Continuous effort has been made looking to the elimination or reduction of these charges on the ground that they are being levied upon the savings of the individual holders of policies in the companies, and Ontario has been the first, as usual, to take action in the matter. Somewhat over a Year ago the Government lent sympathetic consideration to our representations, pointing to early relief and happily, their successors, the present Government, have taken the same broadminded view of the situation and have reduced the tax by one per cent to 1 1/2 per cent. This is now the lowest rate demanded by any of the provinces, and it is felt that action will be of material assistance in securing similar consideration from the other Provinces.

In 1920—The Canada Life Assurance Company

Made the following Substantial PROGRESS:

Table with 3 columns: Description, 1920, Increase. Total Assurance in Force increased to \$76,687,000. Total Assets increased to \$76,198,000. Reserves for Protection of Policyholders \$3,665,000. Total Income in 1920 \$15,739,000. New Assurances Issued in 1920 \$2,535,000. New Assurances paid for in 1920 \$5,260,000. Surplus Earned in 1920 \$2,723,000. Total Payments to Policyholders in 1920 \$8,255,000.

Above, in brief, are the results for 1920 as shown by the Financial Statement. Below are a few other important accomplishments during the year.

- 1. Maintained dividends to Policyholders at pre-war scale, notwithstanding increasing costs and some adverse conditions.
2. Improved its service to the public through special training of Representatives and careful selection of men.
3. Won unstinted praise from the Government Insurance Departments of Michigan, Illinois, Pennsylvania and Minnesota, after most thorough examination of Assets and Management.
4. Made the largest Surplus Earnings in the history of the Company.
5. Increased the average interest to 6.10 per cent.
6. Placed more insurance with present Policyholders than in any other year and increased public interest in Monthly Income, Business Insurance and Group Policies for industrial workers.

Advertisement for a gramophone with a picture of a gramophone and text: 'A wonderful tone', 'Down Payment \$1.00', 'Sendor Phonograph', 'For \$300.00', '265.00', '200.00', '165.00', '120.00', 'E. E. Beach'.

Business in Great Britain. The general improvement in our brand organization in Great Britain has been its full share in the expansion of the year. Opportunity was taken to visit with the General Superintendent in the most encouraging optimism and activity was found to exist everywhere. I spent some months in Great Britain, accompanied by the President, and made an exhaustive study of the conditions affecting our business on that side of the Atlantic. As some of you know, the British Empire is a vast and convenient building of our own, all of which we occupy in London, with offices in England, which have this year paid for \$8,500,000, or over twice as much as in 1919. Various forces have contributed to this phenomenal increase, the most outstanding being an effective agency plant and the great appeal this company is able to make to the British public through its liberal policy contract and its bonuses to the assured. Ours is one of the very few life corporations that have been able to carry on their business in a period of after without reducing or passing altogether the usual bonuses to their members. This is a great advantage to the insured and as our advantage is likely to continue through a high earning capacity and a low death loss we are confident that our business will continue to enter the British market and our facilities to that end. Advantage was taken of a favorable opportunity to enter Hawaii, under most advantageous conditions, and we have received from that agency since September first over \$750,000 in improved Service.

In the effort to give our representatives a more thorough equipment and foundation for their contact with prospective holders of policies, we evolved a few years ago a course of instruction by correspondence and have more recently added a series of classes which are carried on in the home office. The opportunity thus offered has been seized with avidity and those who have undertaken the courses have shown immediate and marked increase in sales ability, and have left upon their clients impressions which are full of interest and suggestion to the full extent. Our ultimate aim is that this company shall be represented in the field only by those who are giving their entire service, and who have armed themselves with the course of study. We believe that today life insurance should be sold only by experts. A Thorough Regular Annual Inspection by the Canadian Insurance Department, the company has received...

with this thought in mind even then, your Directors acquired the adjoining corner of King and Bay streets and early last year they authorized the purchase of two parcels immediately to the north of our Bay Street frontage, which I am sure will carry you approximately half a million dollars in value in our books and between their hands. You will remember that except in the instance above mentioned, it has been our practice to absorb investment values, but we do not take advantage of a rising market to write them up.

The continuous growth of your company has made it necessary for us to absorb practically all of the space in this building and to give careful consideration to its future housing. Bruce, Mr. Bruce had been for nearly sixty-four years associated with this company in its legal department, of which he was for so long the head and as a Director. He gave all ways to your service from the fullest and excellent and well-stored mind, and had for the past several years falling fidelity and affection. Your Directors were fortunate in securing in the person of Mr. Bruce a representative of the policyholders. The greatly increased business which the statement indicates made heavy demands upon the energy and initiative of all branches of the service and your Directors' desire to make expression of their appreciation of the splendid spirit and facility with which they were met.

It is again a pleasure to acknowledge our personal obligation to my colleagues upon the Directorate to our lagging in Great Britain, to the officials, the medical directors, the solicitors, the agent and the loan managers, and each individual unit of the staff of the Home Office and in the Field for their constant and support they have given so ungrudgingly and which enable us to maintain you such an excellent record of the year's operations.

(A complete Annual Statement will be mailed upon request.)