

Mr. BROWN: You really do not have your representatives—

Mr. JOHNSTON: I am asking the witness.

The WITNESS: We have representatives assigned to the various areas and territories. We have them in 42 main centres across Canada. However, they have not been, as I say, highly trained to the point of whipping them up to sales enthusiasm.

*By Mr. Brown:*

Q. Shall we say how good a service they render?—A. They are rendering a good service, I would say, in so far as their number will permit, and they are certainly endeavouring to please the customers that they call on. There certainly is no high pressure used. It is a question of them trying to fit a proposition into a particular person's need or requirement, rather than trying to make a sale at all costs.

*By Mr. Johnston:*

Q. You have a very substantial business in this annuity business. How does that compare with the annuity business which the insurance companies do in the aggregate?—A. I have not any figures as to the amount of business the insurance companies do, that is, in dollars. I do not happen to have them before me, but as far as numbers of contracts are concerned—I am speaking of the straight annuity contract not tied in with insurance in any way—I would say that in the deferred business, aside from the group business, certainly up till the last couple of years, we ran a little bit better than all insurance companies together in the number that we sold.

The CHAIRMAN: Could you speak just a little louder, please, Mr. McCord?

The WITNESS: Yes, sir. I have some figures here showing the comparison of deferred annuities sold in Canada. These figures are for individual policies. In 1946 we sold 9,530; insurance companies sold 10,099; in 1947 we sold 10,794, insurance companies sold 10,699; in 1948—that was after the rate change—our numbers dropped off.

Mr. KNOWLES: I was going to draw attention to that.

Mr. CROLL: Go ahead.

The WITNESS: In 1948 the figure is 4,821 as compared with 10,665 for insurance companies; in 1949 we are down to 4,000 as compared with insurance companies at 11,000; in 1950, our figure is 5,575 as compared with 11,463 for insurance companies.

In other words insurance companies have been running along at about ten to eleven thousand annually in those years. For the first couple of years we were running equal with them but it tapered off the last couple of years.

*By Mr. Johnston:*

Q. This is what type?—A. These are just straight individual annuities.

Q. Well, if I have taken the figures down correctly, the insurance companies have sold more contracts than you have—for that type of annuity?—A. Yes, but there are 50 companies involved.

Q. Yes, I know that.

Mr. KNOWLES: The difference is rather striking subsequent to the change in rates in April of 1948?

The WITNESS: Yes.

*By Mr. Johnston:*

Q. There has been a very decided change there. To what would you attribute that—I mean their increase in sales? Would you attribute that to