

LACK OF LIFE INSURANCE KNOWLEDGE

Disseminate Need and Value of Protection by Suitable
Publicity—Agents Would be Assisted.

A person unconsciously judges a life insurance company by the character of its representatives with whom he comes in contact. One of the most difficult features of life company management is the securing of agents who will, by their character and standing, be a credit to the company employing them, and at the same time be capable of producing a good volume of new business, stated Mr. C. Elvins, advertising manager of the Imperial Life Assurance Company, in an address on Life Insurance Advertising given before the Toronto Ad. Club. Some time ago Systems magazine published the result of an investigation conducted by an authority on such matters in which it was stated that every time an institution changed an employee it incurred an average loss of \$200, and if this is true in any sphere of business activity, life insurance agencies are no exception. Changes in every life company's agency staff are very frequent and in some cases very costly. It is not improbable that a well handled newspaper campaign would attract the better class of agents to the company conducting it, and thus make its field force more permanent and more efficient.

Under present conditions a large amount of money is expended in developing new territory, because, until a considerable volume of business has been placed on the books in a new agency, it is impossible for an agent to make sufficient money under the scale of commissions provided for. It is, therefore, necessary for the companies to assist agents in such cases until their agencies have been built up to a paying basis. Sometimes a number of men try and fail before a successful one is found, and a considerable portion of the money advanced to the unsuccessful men is lost. Good general publicity might make the business so much easier to secure that the amount of money required for organizing new territory would be very much reduced.

Conservation of Business.

If either or both of these two benefits would result from advertising more broadly, the money spent for white space would probably be saved in agency expenses, and when the cumulative effect of good advertising is considered it is quite apparent which would be the better way to spend the money.

Another perplexing problem of the life companies is the conservation of their business. The loss of business from lapses and surrenders greatly impedes the rapidity with which the different companies would otherwise be able to increase the volume of new business which they could afford to write each succeeding year. For, to replace a terminated policy with a new one involves a heavy first year commission expense instead of the very small expenditure which the collection of the renewal premium under the terminated policy would call for and does not improve the company's position, either in the amount of its premium income or amount of assurance in force. Moreover, those who lapse their policies generally become negative media of advertising for they are disgruntled because of the loss they have sustained in dropping their insurance. But if a company was conducting a real up-to-date advertising campaign in the daily newspapers it is very probable that its policyholders would read its advertisements on account of their interest in the institution. Granting that the copy used was right, it is quite evident that the reading of the advertisements would add greatly to the persistence of the business by keeping alive in the minds of the policyholders the sentiments which induced them to insure in the first place. In other words, once a policy had been sold by such a company it would stay sold.

To Educate the Public.

With very few exceptions, under present conditions, all one ever hears from the company with which he is insured is to get once a year an annual statement which is neither illuminating nor interesting to many, or a request for more money in the form of a premium notice.

It must be admitted that the general public is woefully deficient in life insurance knowledge, and advertising which would disseminate broadly the value of and need for life insurance would, no doubt, make it possible for the advertising company to secure more business. Perhaps it would also enable the company to secure its business at a lower cost, or make the business more persistent. Unless it brought about one or both of these it would avail nothing, for in the case of most companies they could not otherwise afford to write more business than they are doing. I have no idea what effect an aggressive advertising campaign would have on the persistency of business, but I do know that one of the large American companies which has for some years been advertising extensively in the magazines, pays its agents right here in Canada a scale of commissions very much lower than the home companies find it necessary to pay. If this company's agents did not secure a sufficiently increased volume of business to overcome the difference in rate of commission paid, they would certainly join forces with some other company very quickly.

The number of directors of the Chippewa Oil and Gas Company, Limited, has been increased from five to seven.

WHEAT PORTS OF WESTERN CANADA

Vancouver's Increased Shipping—Expansion Shown in
British Columbia's Main Industries.

(Staff correspondence).

Vancouver, March 10th.

Each week brings indications of the development that will take place on the Canadian Pacific coast within the next few years. Increased shipping is shown by the loading here of a ship for Japan, to carry six thousand tons of wheat, and the beginning of the service to British Columbia ports of the Harrison line, the first steamer of which will reach the coast to-day.

That the shipment of wheat from Pacific ports will grow greater is shown by the statement of Mr. N. Shiota, a Japanese merchant of Seattle, who was here this week. He pointed out that Japan will take anywhere from 50,000 to 100,000 tons of wheat per season, and following the loading of the boat now in port, another will come here for grain cargo. It shows that once the product is available it can soon be marketed. With the Grand Trunk Pacific through to Prince Rupert, it is probable that grain will go through the northern port, as well as through the southern. Once grain shipping facilities are installed in the coast cities, steamers will be encouraged to come here to load.

That the shipping of western Canada is expanding is further shown by the announcement of bigger steamers for the Australian run. For the last few years traffic has been unusual. Outbound from Canada, the boats carried more freight than passengers, while coming this way, the list of passengers has always been to capacity, with room for more freight, with the exception of cold storage. The visit of Hon. George E. Foster to Australia will probably result in a greater volume of trade both ways.

Contractors to Clear Channel.

The service instituted by the Harrison line will be semi-monthly. The boats will be large freight carriers, specially designed for the trade. When the shorter route is available through the canal, the big freighters that come to this coast will be better able to cope with the trade between the Pacific coast and the Atlantic and European ports.

The contract has been let for the dredging of False Creek. The work is to be carried on by the Pacific Dredging Company, of Vancouver, and is to be completed within two years.

A channel 350 feet wide with a minimum depth of twenty feet is to be cleared, the cost to be \$700,000. It is understood this channel will extend about a mile, from the mouth of the creek to the Main street bridge. This will bring right up to the western edge of the improved portion contemplated under the Canadian Northern Railway agreement.

Mining on Large Scale.

Definite announcement is made of big mining works at the Britannia, which has operated on a large scale of late. This will give an important mining industry at the south of the British Columbia, as well as one on the north, at Hidden Bay, where the Granby company is carrying out its large scheme.

Expansion along these lines will mean prosperity, not for any one of two cities, but for the western part of Canada, which must benefit by the increased trade.

At the Britannia mine, situated at the head of Howe Sound, it is proposed to have two thousand men at work on the property inside of two years. The output of the mine will be quadrupled, and a smelter will be built, so that it will not be necessary to ship ore to Tacoma, as at present, where it is treated. The Britannia company is to install the new oil method of treating its ores, being the fourth in the world to adopt the process.

Not only on the coast, but in the interior also, is increased development in mining being carried out. Last week's ore production in the Kootenay and Boundary districts was considerably over the average of 1912, with a prospect of heavy output being maintained.

The report of the Hedley Gold Mining Company will attract attention to British Columbia. This concern, which has always paid a good dividend, had net profits last year of \$385,000, or thirty per cent. of its issued capitalization. Ore of a higher grade was treated during the year. It is expected this year to increase the ore reserves. Gold amounted to ninety-five per cent. of the ore values.

Development along these lines will bring greater prosperity. There is nothing of the nature of a boom about it, but steady work, which means much to the country. With the government of the province giving every encouragement to the lumber industry, the prospect is bright for the main industries of British Columbia.

At a meeting of the council of Calgary board of trade indications were received from retail merchants in the Calgary district of the passage of the bulk sales act now before the provincial legislature. A petition supporting the measure was returned to the council with nearly five hundred signatures, this endorsement coming from merchants in the immediate vicinity of Calgary. Edmonton and Lethbridge will probably also give similar support.