

HARMFUL INSURANCE LEGISLATION

(Mr. J. F. Weston, managing director Imperial Life at Halifax.)

Each individual agent is indebted to those men who prepared the way, and each profits from the work of his contemporaries, whose aggregate efforts keeps our business a live issue in the public mind. The insurance per capita carried by the Canadian people is still so small and the opportunity for increasing it so correspondingly great that each agent gains more from the general canvas of the field by all agents than he loses as a result of competition. You are competitors in comparatively rare cases only—you are joint workers in the main. You have a great field to cultivate in common. You need intelligent co-operation to devise and to carry out the most effective means of removing the prejudice, carelessness and other causes which keep the Canadian people so under-insured, and you need to present the united front of a strong association against the use by any of methods and practices which are calculated to counteract your efforts in this direction. The stronger you keep your association to enforce observance of fair methods in competition and square dealing with the public, the more rapidly you will increase the demand for the protection you have to sell, and the higher you will elevate your profession in public regard. In this direction you have advanced further during the few years you have had an association than you did during all the years preceding it.

Early in the history of your association you did good work in resisting the imposition of certain legislative restrictions. There is a growing tendency on the part of our politicians to pass legislation inimical to our business and to the public interests which we and they serve.

We need a campaign of education on this point, and none are in a position to carry it on so effectively as you, the field men, who are scattered through all parts of the country, and are in daily contact with the people and with their representatives to our legislatures.

CANADA'S INSURANCE NEEDS.

The aggregate assets of the companies in Canada is about \$345,000,000, and their premium income is over \$47,398,376. These appear to loom large in the eyes of our politicians and to be a fair source from which to draw revenue for present needs. They seem never to consider the number of claims which these large sums cover, nor to realize how pitifully inadequate the amount of average claim is to replace the life value of the insured to their beneficiaries. We have insurance in force in Canada, including industrial, of \$1,163,477,891. The average amount of the policies comprising this is only \$715. Exclusive of industrial we have in force \$1,046,481,104 in policies averaging \$1,970. The average amount per death claim paid last year including industrial was \$723. Excluding industrial it was \$1,710. These amounts, on the average, represent all which many families have to protect them against dependence, often on the state, till they can adjust their conditions to replace the earning power of the life upon which the claim is paid, or until they can devise means of self-support. Then there are the many who have no insurance. Altogether we need about twenty times the insurance we have in force in Canada to equal the life values of our people.

This is the opportunity for business expansion which lies before you. It is a business proposition to you, and it should be the business of good government to lend assistance toward the protection of those values in its citizenship. But in adding their tax to the cost of insurance, our governments are defeating what should be their aim. The truth of this principle has been recognized in older countries.

HOW OLDER COUNTRIES ACT.

In England, as long ago as 1853, when Gladstone introduced his first budget, he reduced the duties on life insurance, and public opinion has justified the act by enlarging the extent of the exemption until now the premiums paid by an individual for life insurance are exempt from taxes up to one-sixth of his income, and the British government has inaugurated old age annuities.

In Germany the industrial population are compelled to insure, and the government pays twelve million dollars annually toward the cost. Holland makes exemption, but here in Canada not only are there no exemptions made, but on the contrary, an exceedingly high tax is levied on the premiums paid by all who insure, so in effect a man is fined for acting on a provident impulse to protect those dependent on him, or himself in his old age.

Can you imagine a falser economy on the part of any government than to thwart the efforts of the people to raise themselves and their dependents to an independent position of self-support, by extracting from the funds laid by for that purpose money to be used for present needs? In following such a policy they lower the standard of future citizenship and bring upon the governments of the future the cost of dealing with a larger measure of want, crime and degradation, which must spring from the more general poverty which will ensue. It is part of the work which awaits you to enlighten the people and our legislators upon this point, which surely should be obvious to us all.

ONLY A COLD.

Let any one sit down and go carefully over the lists of deaths of people of his acquaintance, and if he has not previously considered the question, he will be surprised at the large number of them which can be traced to a "cold."

It is not the purpose of the writer to go into the question exhaustively, but we want the simple heading of this article to serve as a reminder that in ordinary cases when a man has a "cold" that is giving him any trouble, he is bound for the cemetery unless he takes the greatest care of himself, and even then a single exposure may carry him off. The graveyards are full of victims of "cold," and although people do not seem to realize the fact, the number of deaths attributable to "a cold" in answers to questions in applications for life assurance furnish striking evidence in support of this position.

Our warning is a reasonable one. A man of full habits, good appetite, a fairly free liver, unwittingly exposes himself, perchance talking with a friend on the street corner; he feels out of sorts, he is told by his medical adviser that "he has only caught a cold, and will be all right in a few days." He is ordered to stay in his room. But having "only a cold," he disregards the doctor, and goes out to business—for the last time.