

this position that every man we have employed in the Province of Quebec, outside the offices, is on commission. This is a thing we are desirous of doing everywhere, if we could only accomplish it but we have difficulty in getting men in that Province to accept renewal contracts. We are trying to get them to accept small first year commissions and no renewals. We had a man who got a fairly large commission and no renewals, we saw fit to discontinue his services and at the end of the year we replaced him by another agent. The business done by that man was scattered over a large territory, and was subject to heavy lapse. The man who followed him got five per cent on renewals. At the same time the policyholders were notified in a certain district that their premiums would fall due on a certain date but they paid no attention to it. We asked the man under the new arrangement to call and see them for the purpose of collecting their renewals, he wrote us that it was twenty miles from his place, and that he could not afford to go there for the five per cent. Now it would pay us better to pay him the full loading on these second renewals rather than have the business lapse, because if a policy lapses we have to get another risk to take its place. But according to this Bill, clause 54, we could not do that unless the larger renewal was arranged previously. We must lose that business because we cannot cover an emergency of this kind. No man can say that it would be wise for a company to make a contract calling for 20 per cent on renewals unless a change in the basis of First Year's commissions were accepted and it is only in cases of expediency that arrangements of this kind are made, and we think that every company should be permitted to use their own judgment in matters of this kind instead of being hampered by legislation.

The fundamental principle governing every line of business will indicate the necessity of a full practical knowledge of all the influences that enter into that business before any form of legislation can be conceived that will benefit the great mass of people interested. When I speak in defence of the agency staff, when I refer to the Underwriters' Association, I am only pressing for the conservation of the best interests of the whole country because we represent this country just as much as any other class of men. If we are conserving the interests of the policyholders we are conserving our own interests and the interests of our respective companies.

In conclusion—I want to say that if the gentlemen who are responsible for the measures which are before us will simply consider the fact that we are just as anxious to safeguard the people's interests, as any class of men today, they will, I am sure, see the seriousness of any hasty conclusion as to legislation that can be interpreted as antagonistic to life companies no matter what class the company may occupy in this country and I will leave the matter with you believing that in your final actions the best interests of life insurance in this country will be conserved.

Mr. JAMES C. TORY.—Sun Life Assurance Company of Canada. Mr. Chairman and Gentlemen, it has been suggested that I come before the Committee under a great disadvantage on account of my name, I hope, however, that will not unduly prejudice me in your eyes. It has been further suggested that I should explain my politics but that I dare not do just at the present moment. I also wish to say that I am placed a little awkwardly in being the very last word in regard to this Bill. After you have listened to the gentlemen who have spoken during the past fortnight, to come in at the end requires really a great deal of nerve, almost more nerve than I possess. I wish to confess in the first place to a change of heart in regard to the Bill. I came here, I acknowledge, with the conviction that certain sections in that Bill, although adverse perhaps to the agents' interests in some particulars, would be in the interests of the business as a whole. Now I must frankly admit that after hearing the arguments pro and con, after giving most intense thought to the subject I have reached the profound conviction that those particular sections which I thought would be an advantage must work unfairly to the companies, and to the disadvantage of the business generally. If you will permit me I will try to analyze briefly the Bill so as to get its general bearing. We have been discussing the individual sections of the