

The Monetary Times

Trade Review and Insurance Chronicle

Vol. 50—No. 22

Toronto, Canada, May 31, 1913

Ten Cents

The Monetary Times OF CANADA

PUBLISHED EVERY SATURDAY BY THE MONETARY TIMES
PRINTING COMPANY OF CANADA, LIMITED

The Monetary Times was established in 1867, the year of Confederation. It absorbed, in 1869, The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and The Toronto Journal of Commerce.

Terms of Subscription, payable in advance:

Postpaid to any address in the Postal Union:

One Year	Six Months	Three Months
\$3.00 (12s.)	\$1.75 (7s.)	\$1.00 (4s.)

Copies Antedating This Issue by More Than One Month, 25 Cents Each.
Copies Antedating This Issue by More Than Six Months, 50 Cents Each.

ADVERTISING RATES ON APPLICATION

HEAD OFFICE—Corner Church and Court Streets, Toronto.
Telephone Main 7404 7405 or 7406. Branch exchange connecting all departments. CABLE ADDRESS—"MONTIMES, TORONTO."
Winnipeg Office—Room 820, Union Bank Building. G. W. Goodall, Western Manager. Telephone Main 2914.
Montreal Office—Room 617 and 628 Transportation Building. T. C. Allum, Editorial Representative. Phone Main 8436.
London Office—Grand Trunk Building, Cockspur Street. T. R. Clougher, Business and Editorial Representative. Telephone 527 Central.
All mailed papers are sent direct to Friday evening trains. Subscribers who receive them late will confer a favor by reporting to the circulation department. The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor. The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

NOTICE TO SUBSCRIBERS

When changing your mailing instructions be sure and give your old address in full as well as your new address.

SELLING ANNUITIES

The comparatively small success of Canadian government annuities was discussed in the House of Commons recently, and many reasons were advanced for existing conditions. Undoubtedly, the absence of personal soliciting is most largely responsible. Life insurance and annuities, broadly speaking, cannot be sold except by personal solicitation. The Dominion Government have conducted lecture campaigns. They appointed postmasters as their agents. They have adorned walls with posters advertising the benefits of annuities. The lecture campaign did only little good work. Postmasters were too busy with the mail and their private affairs to worry about the sale of government annuities. How much life insurance would a company sell were it to depend upon lectures and posters and uninterested agents for returns?

One step to remedy matters has been taken by the raising of the limit annuity from \$600 to \$1,000. Two members drew attention to the fact that life insurance depended for their success upon agents, and until the government adopted something of the same idea it could not hope for much interest in the public. "The postmaster-general will find it necessary to send out agents to explain the matter to the public," said Mr. Law; and Mr. Graham suggested that "some agent go into the country, staying at the different points a week, if necessary, to meet the people personally and discuss the matter with them."

The government will have to recognize the personal touch between salesman and prospective purchaser in order to make highly successful the disposal of Canadian government annuities.

Experiments in government and state insurance are multiplying. The State of Wisconsin is selling life insurance and the legislatures of several other states are considering the proposal. It will be interesting to observe

PRINCIPAL CONTENTS OF THIS ISSUE

Editorial:	PAGE
Selling Annuities	921
Union Life Affairs	921
Mining in Ontario	922
Fire Insurance Adjusters	922
The Trade Balance	922
Finance and Economics:	
Prices of Canadian Wool	926
Investments and the Market	928
Montreal Light, Heat and Power Company.....	942
Stock Exchanges:	
Prices of the Week	948-49
Canadian Securities in London	950
Bonds and Municipal Credit:	
Industrial Bonds as Investments	927
Dominion Cannery Sells Bonds	952
Commerce and Transportation:	
Port Nelson will be Terminal	934
Growth of Lake Commerce	935
Insurance:	
Life Assurance Legislation	925
Investment of Life Companies' Funds.—VII.....	930
Value of Life Insurance.—XIV.	931

the success which meets these experiments. Mr. Forbes Lindsay, in a discussion on the subject, does not hesitate to state that there is, perhaps, no public service which a state government is less calculated to render effectively, nor one for which there is less need for state activity. "The advocacy of state life insurance," he says, "is based on several fallacies, the chief of which is that an organization controlled by the government can adequately furnish the people with this almost universal necessity at less cost than can a private company. The assumption is that by employing state officials to write the business without remuneration, enough will be saved to make the rates attractive to the general public. The experiences of the governments of Great Britain and New Zealand in this field of endeavor indicate the futility of any such expectation."

State life insurance, such as Wisconsin is trying, starts with the same handicap as does the Canadian government annuity—the business is not personally solicited. Experience has proved that such solicitation is the only way to write life insurance.

UNION LIFE AFFAIRS

No one in authority denies that the Union Life Assurance Company is, to say the least, in an unenviable position. The Department of Insurance, in its usual paternal way, is apparently giving the company time to try to mend the breaks.

Official silence presumably is accounted for by high hopes respecting the English shareholders. Will they come forward with £75,000 for a general reorganization? The answer seems doubtful. Even if they do, will all the troubles of the Union Life be past?

In the meantime, the complete silence of the Union Life offices should be broken by a complete statement of affairs by the company's management.