

The law says that "no life insurance company shall make or permit any distinction or discrimination in favor of individuals between the insured of the same class and equal expectation of life in the amount of premiums charged, or in the dividends payable on the policy, nor shall any agent of any such company assume to make any contract of insurance, or agreement as to such contract, whether in respect of the premium to be paid or otherwise, other than as plainly expressed in the policy issued; nor shall any company or any officer, agent, solicitor or representative thereof pay, allow or give, or offer to pay, allow or give, directly or indirectly an inducement to insure, any rebate of premium payable on the policy, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any advantage by way of local or advisory directorship where actual service is not bona fide performed, or any paid employment or contract for services of any kind, or any inducement whatever intended to be in the nature of a rebate of premium; nor shall any person knowingly receive as such inducement any such rebate of premium or other such special favor, advantage, benefit, consideration or inducement; nor shall any such company or any officer, agent, solicitor or representative thereof give, sell or purchase as such inducement or in connection with such insurance any stocks, bonds, or other securities of any such insurance company or other corporation, association or partnership."

The Monetary Times understands that one of the most ingenious ways to circumvent this law is for underwriters to give prospective policyholders an agent's contract. Suppose, for instance, the agents of two companies are soliciting business from Mr. Smith. The contest for that business becomes keen and one of the agents offers Mr. Smith an agent's contract. It is accepted and the first business handed by Mr. Smith, the new agent, to the company is insurance on his own life. As a budding agent he takes his commission on the business. This is rebating in a roundabout way, but it is rebating just the same. We are told, too, that it is not an uncommon occurrence. Mr. Smith, the agent-policyholder, usually does no further business for his company, as the little conspiracy arranged by the regular agent and Mr. Smith has been hatched and dispatched. The Life Underwriters' Association may well consider further steps to stop such practices. Perhaps new machinery can be devised for that purpose.

PENSIONS FOR LIFE INSURANCE AGENTS

A discussion on the question of pensions for life insurance agents is on the programme for Thursday morning at the Ottawa convention. The subject was raised at the previous gathering and possibly has had the serious consideration of the managers since then. The argument advanced is that when an agent makes life insurance his life's labor, and builds up an excellent business for the company in his district, an adequate pension is due from the employers when old age comes and his period of usefulness to the company is at an end. With that, *The Monetary Times* is in agreement. There is an actual and moral obligation on the part of employers who squeeze the best years out of a man's life. The law of the survival of the fittest may be a natural one, by which the once useful and strenuous worker is compelled to make way for the younger man. But it is a law which year by year is being brought into line with modern civilization. The elderly man of past years is an old man in these times, because he is bound to do three days' work where his grandfather did one. The pace of the twentieth century has reduced the number of working years, but has increased productivity in those years.

Employers are recognizing that they can obtain the best men and the best services by giving their employees not only the current wage, but also provision for old age.

The pension for life insurance agents will come, although it may take some years to achieve common action. Some companies already have adopted the principle; some have done so to a limited extent. The managers may balk at the extra expense for a while, but the cause is far more just than is that of some life insurance legislation we know. Pensions, however, should be only for real agents who do real work.

PREMIUM NOTES

Vote for Calgary for the 1914 Life Underwriters' convention.

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"I'll make assurance doubly sure." Macbeth's legacy to the life insurance men.

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With so many ex-presidents, the Ottawa convention will look like Mexico on a fine day.

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Most difficult risk I ever secured, is a convention topic. Being born should come first.

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Sir Wilfrid Laurier will probably note the great spirit of reciprocity among the life insurance agents.

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As the office boy says, the retiring president of the Dominion Life Underwriters' Association is a Tory with grit.

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The Ottawa convention will again prove Premier Asquith's shortsightedness in picking his poet laureate in England.

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Value of the club idea in large agencies is to be discussed by Mr. J. C. Stanton. What sort of a club does he mean?

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It is a safe guess that Mr. T. J. Parkes, of Quebec, will spring a full size poem upon the life underwriters' convention at Ottawa.

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A discussion on how to close business is slated for Tuesday's convention session. How to open it would be more interesting during tight money times.

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President Tory will sum up the topics on Thursday morning and has not forgotten lunch time and sight-seeing will tread on the heels of his oratory.

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Silent wishes have gone broadcast that all the speakers at the Ottawa insurance convention will refrain from quoting Shakespeare and all other poets extinct or extant.

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Ex-President Roosevelt should be called to Ottawa on Tuesday afternoon to give his views on one of the topics for discussion then, "How to Stimulate Steady Production."

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Mr. William McBride, of Winnipeg, will give an address at the life insurance convention on "How far to press a man," with due allowance for Wednesday evening's banquet.

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Frozen eggs seized by New Jersey inspectors three years ago as unfit for food, the subject of much litigation, have now been released for sale by the state board of health. Members of the board ate foodstuffs made from the eggs—pretty poor life insurance risks.