

towards each other, and less petty jealousies, are all factors, more or less important, in connection with the abolition of rebates."

In 1895, since the awakening of the companies to a sense of the situation, a plan of some importance, having for its object the eradication of the rebate evil, was proposed by Insurance Commissioner Merrill, of Massachusetts. He addressed the executive officers of all the life companies in his State by a circular, calling attention to the existence of stringent laws with clearly expressed penalties against the granting of rebates on premiums, and reminded them that these laws were framed to be executed. He reminded the officials of companies that the enactment of said laws was at the suggestion of the companies themselves or their representatives, and he, somewhat in a spirit of sarcasm, said he supposed that they were desirous of having the law enforced. While giving credit to many of the companies for apparently making efforts to compel their agents to obey the law, he stated that others were very apathetic and indifferent, and that in some of the States the laws were "notoriously violated," although several of the offending States had anti-rebate laws very similar to those of Massachusetts.

The Commissioner then made the suggestion that a general committee, composed of one executive officer from each insurance company, should be appointed, empowered to make such contribution to a general fund as might be found necessary to secure the investigation and prosecution of offenders. He used the following significant language, and the re-iteration of his words embodies the text of one of the suggestions made in the last issue of THE CHRONICLE:—"If we could have on the part of the companies who really desire to have these statutes respected action so heroic as to impress the sincerity of the movement upon every life insurance agent, there is reason to believe that the desired end might be reached."

Such a step would have meant a movement against rebating which would have effectually reached the entire field, because it would have enlisted the support and sympathy of the corrective power residing at the fountain head—that of the company managers. Rebating will not cease until there shall emanate from the head-quarters of the companies a stern and sincere edict that orders must be obeyed, and that rebating is forbidden. The plan proposed by Commissioner Merrill paved the way for united effort to effectually inaugurate lasting reform. Hitherto, the great obstacle to concerted action had been found in the unwillingness of three or four of the large companies, engaged in a sharp competition for business, to take the initiative. These were suspicious that the others might not follow in good faith, and thereby the company committing itself to a restrictive policy would be placed at a disadvantage in the search for that new business, which was then, and has continued to be, the great desideratum. In 1895, as at the present time, the lack of loyalty towards each other engendered

mistrust and rendered united action almost impossible. Almost without exception the controlling officials of the companies in the United States and in the Dominion of Canada have expressed themselves, at one time or another, as opposed to the pernicious practice of rebating, and if well-sounding professions could have put an end to the evil, and stifled the scandal connected therewith, it would have disappeared long, long ago. To the honour of some of the companies, profession and practice have agreed, and vigorous measures have been adopted to discipline agents and effect reform.

But, as in the expeditions of the Christian powers against the Mohammedans, some of the modern crusaders have fallen by the way. When urged to rise again and fight in a good cause, the erring companies fall back upon excuses and feebly say:—"We all connive at the so-called wrong-doing of our agents, and are unable to join in active warfare against what some will practice, despite all preaching against its demoralizing aspect." However, we are unwilling to think there is any question with which the companies themselves lack the courage to deal effectively with. It is known that rebating still exists, and there appears to be no sincerity in the occasional efforts of the companies to co-operate in obtaining a much needed reform. Since any plan for suppressing the rebate evil by statute is difficult to obtain, some other scheme of suppression must be hit upon. We believe that rebating is a question with which the executive officers and agents will yet be compelled to grapple. What then is to be done?

Whenever, in the past, the magnitude of the evil has become apparent by the number of lapses, increased expenses of procuring new business, and the diminishing dividends to policy-holders, resolutions condemning the evil custom of rebating are passed by associations, and the company officials are very profuse in regretting the state of things, and indulge in smooth and well-sounding utterances of reprobation. But the big commissions and bonuses for new business, are kept up, and rebating rears its head and laughs at laws, stringent penalties, and the rantings of reformers.

As a review of the action taken by the States of the American Union in the enactment of stringent anti-rebate laws, and the known support and sympathy of Canadian life companies therewith, shows that the companies on both sides of the line are unwilling to drop this most reprehensible, unfair, and discriminating, if not dishonest, practice, perhaps the situation may be effectually controlled by the agents themselves. Their united efforts for the suppression of the evil may succeed where the companies they serve, because of their greed for business, have failed. If the agents approach the companies with a unanimous request for a reduction in the number of canvassers; for the employment only of agents regularly trained for the work assigned to them; and with a suggestion for a graded scale of commissions