

Some Matters Canada's Life Underwriters are Discussing

CANADA'S INSURANCE DEPARTMENTS

There are five provincial insurance departments in Canada, one each in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. These departments are administered by a superintendent, inspector or commissioner, who has under his care all insurance matters arising in the province, while every insurance company doing business there must report to him regarding their movements and business in the province. Alberta, which has just passed an insurance act very similar to that of Manitoba, was the latest to inaugurate such a department and has yet to appoint its commissioner.

There are a large number of important problems in provincial insurance legislation and other insurance matters which require expert consideration. Differences in provincial insurance laws need adjustment, in order to simplify the work both of the insurance companies and of the insurance departments. The best way to achieve these ends is obviously to form an association of the provincial insurance commissioners, who could meet annually to discuss their problems. Such an association exists in the United States and its yearly gathering is an important one. At the most recent, they decided to admit Canada's insurance commissioners to membership. While this gracious act is appreciated, it makes a Canadian organization none the less necessary. We need badly uniform provincial insurance laws, and should like to see the commissioners get together for their own good, and that of insurance, the companies and the public.

LIFE INSURANCE BREAKDOWNS

The collapse of the Union Life Assurance Company and the reassurance of the Home Life Association by the Sun Life are unhappy events of the current year in Canadian life insurance spheres. Such occurrences do not help the cause of life insurances in Canada or of investments in life companies' stocks. The shareholders of both unfortunate institutions will suffer heavily. In the former, a large block of stock was held by English investors, many of whom could ill afford to lose their holdings.

The chief consolation is that the exeunt of these two companies clears the life insurance atmosphere. It was known there were weeds in the garden. The hoe has been doing its work. The incidents should prove a warning to any existing companies inclined to tread cautiously on the border line of danger. If the house is not in order, reform should come immediately, rather than that other insurance breakdowns should occur.

Recent history will make more difficult, too, the starting of new life companies. Several, including the Colonial Life and the Commonwealth Life, are in the promotion stage. The Saskatchewan Life, we believe, has been there for several years. With new companies, as with old, the investing and insuring public want to know that the men promoting or operating them are experienced in the intricate art of underwriting and have a sterling reputation behind them. Random Toms, Dicks or Harrys cannot manage a life insurance company. It needs picked men of the right type and calibre. Investors should recall that fact when canvassed to purchase shares of a new company.

There is every necessity to maintain Canadian life insurance at a high standard. It has grown into a business of large proportions. The amount of life insurance in

force in the Dominion, according to the government returns recently published, increased last year by over \$120,000,000. The total for 1912 was \$1,070,265,556, and for the previous year \$950,220,771. There was an increase of 162,196 policies in force. The number of new policies taken up last year was 39,352 greater than in 1911. The premiums during 1912 exceeded by \$4,091,998 those of the previous year. Claims paid during 1912 totalled \$12,750,310, a gain of \$1,698,631 over the figures of 1911. This business of life insurance is big enough, good enough, to be kept unsullied by even the breath of public suspicion.

GOOD LIFE RISKS

About forty life insurance companies in Canada and the United States some time since contributed their data to a joint committee of the Actuarial Society of America and the Association of Life Insurance Medical Directors for the purpose of an investigation to determine the influence of occupation, family history, build, etc., upon the mortality of insured lives. Volume one of the report published a few months ago dealt with the methods and scope of the investigation, new tables of height and weight for men and also for women, and rates of mortality to be used as a standard in obtaining the expected deaths in the several groups studied. Volume two will cover the influence of build upon mortality among men, cause of death, mortality among women, influence of build on mortality among women, and several other interesting facts. The reports, compiled as they have been from such broad experiences, will furnish a valuable contribution to the question of mortality and an excellent guide to the determining of good risks. The circle of "good risks," too, may possibly be widened as a result of the report, which fact will be of especial interest to those companies writing sub-normal business.

IS THERE LACK OF INTEREST?

Are all the latest recruits in the life insurance agency business helping the Life Underwriters' Association of Canada to progress?

Are the younger men in the business assisting, or is the work being left to those who have from the beginning put time, energy, labor and money into the Association, and are continuing to do so?

Are some of the branch associations lacking interest in the work and principles of those associations, with the result that some of them are in a parlous condition and reorganization is an almost immediate necessity?

REBATING IN LIFE INSURANCE

The Life Underwriters' Association has done good work in eradicating evils in the business of life insurance. Rebating has been considered one of the most vicious. The Insurance Act of 1910 contains a clause forbidding rebates and discrimination. Although the practice was somewhat common, united effort on the part of the Association has checked it considerably. Clause 87 of the Insurance Act is plain in its language. Despite that fact, and in face of the work of life underwriters desiring a clean insurance field, rebating is continued in various disguises.