

Solid Growth

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

**SUN LIFE ASSURANCE
COMPANY OF CANADA**
HEAD OFFICE—MONTREAL

LONDON AND SCOTTISH Assurance Corporation Limited.

Established 1862.
For All Classes of Life Assurance.

SCOTTISH METROPOLITAN
Assurance Company, Limited.

For insurances against **Fire, Accident, & Sickness; Guarantee Bonds; Elevator, Automobiles, Public and Teams, and Employers' Liability.**

HEAD OFFICES FOR CANADA:
London & Scottish Building,
164 St. James St., Montreal.
TOTAL ASSETS EXCEED. . . . \$25,500,000
Manager for Canada: **ALEX R. BISSETT.**

"Solid as the Continent"

The North American Life is high in the esteem of the insuring public. Our representatives are placing unprecedented amounts of new business. Why?

"Solid as the Continent" policies, coupled with liberal dividends and the great enthusiasm of all our agents is the answer.

If you want to associate yourself with a Company that offers its representatives real service, write us. Some good agency openings are available.

Correspond with E. J. Harvey, Esq., Supervisor of Agencies.

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent"

HEAD OFFICE TORONTO

Commercial Union Assurance Company Limited

OF LONDON, ENGLAND.

The largest general Insurance Company in the World.

Capital Fully Subscribed	\$14,750,000
Capital Paid Up	4,425,000
Life Fund & Special Trust Funds	75,573,630
Total Annual Income Exceeds	64,000,000
Total Funds Exceed	172,000,000
Total Fire Losses Paid	215,897,380
Deposit with Dominion Government (as at 31st Dec., 1918)	1,401,333

Head Office, Canadian Branch:
Commercial Union Bldgs., 232-236 St. James Street, Montreal, Que.

Applications for Agencies solicited in unrepresented districts.
W. J. Jopling, Manager Canadian Branch.

Insurance News and Views

The Working of Group Insurance

The system of group insurance, as it is called, is relatively new, and its practice has not as yet assumed very large dimensions. There are, however, insurance companies in this country which have worked out schemes of the kind, and are ready, and more than ready, to write business. In point of fact, the amount of insurance of the kind that has been written is larger, probably, than is generally appreciated, and, as the principle and practice of this method of encouraging continuity of service becomes better known, it may be expected that the amount of such insurance will rapidly increase.

One could be more definite in prophecy on the subject if it had not to be realized that the general attitude and behaviour of the organized labor in recent years has not conduced to the maintenance, in the minds of employers, of the idea that men and women want to be settled in their work, to work industriously and steadily and to find in work the wherewithal to live. There is a political class of the extreme labor persuasion which, consciously or unconsciously, instills into the minds of the less enlightened public the conception that by some patent nostrum or other, the curse of Adam can be overcome, and that, to put it bluntly, it is possible by Act of Parliament to invalidate primal wisdom, which is absurd.

Life in the Mass.

Group insurance, as we know it, is of the nature of a gift by an employer to his workpeople. The more familiar practice of life insurance is a method by which an individual gets the benefit of the fact that in a great mass of selected lives abnormality is cancelled, so to speak, and normal duration of life is secured; so that the individual, though his life may be cut short, secures the benefit of the accumulation of his premiums during a period of normal life. Something of the same co-operative effect applies in group insurance, but, as the lives are not medically selected to start with, there is an essential distinction there, as there is also in the fact that the group protection is limited by contract to a fixed period of one or more years, and the death benefit is dependent upon the death of an employee occurring (subject to certain modifications touched upon hereafter) while he is in the service of the insuring employer.

It is important to make this quite clear. Group insurance is not a substitute for the more familiar type of life insurance, which is independent of employment, and which the policy-holder is entitled to maintain, at his absolute discretion, by paying his renewal premiums punctually as they fall due. The maintenance of his health, or its failure, have no bearing whatever upon the persistence of the policy up to the time when death causes it to become a claim. One of the essentials of the group form of protection is—we repeat it for the sake of emphasis—that the employee ceases to have the benefit of it when he ceases to be employed by the insuring master; while there is no right of renewal on either side at the expiry of the period for which the contract is made at the outset. There is, however, a tendency, with the growth of experience, to make the terms a little less rigid in this respect, so that when a man or woman leaves the employment in which the insurance is maintained he or she may, without medical examination, receive a life assurance benefit arising out of the group protection, but otherwise separate from it.

It follows naturally, from what we have said,

that any process of selection in the employed lives to be assured is contrary to the underlying principle of the whole thing. That is to say, no company writing business of this kind would, or could, allow an employer to select from among his hands a happy few to whom he wishes the policy to apply. It is bulk insurance, and any selective discrimination might rob the insurance company of that which is its protection—namely, the fact that in a considerable body of people, while there may, and probably will be, under-average lives, there is in the ordinary way a sufficient probability of average health and strength to make the business worth having a premium sufficiently low to be worth while from the employer's standpoint.

These words make it clear that the nature of the whole business carried on is a factor in the assessment of the risk.

For example, in an explosives factory there is always a more obvious fatal accident risk than one has to face in a bank. Again, a concern employing a large proportion of manual workers and a small proportion of staff employees presents a different position from a concern in which educated people form the bulk of the employees, for they look forward to spending their working lives without changing their employers. Again the employer may have in his mind any one of several forms of benefit. In the instance alluded to in the opening sentences the amount of the insurance effected on the workpeople is 500 dollars for one year's service, 750 for two, 1,000 dollars for three, 1,250 dollars for four, and 1,500 dollars—which is the maximum—for five years' service, while employees without dependents are insured for the nominal sum of 150 dollars to cover funeral expenses. That is one way of approaching the matter. Another method, which has a good deal to recommend it is to make the insurance benefit vary with the scale of earnings of the insured employee, and this again lends itself to a variety of applications. Suppose, for example, the insurance applies to every employee of three month's standing and upwards. Then, under one form of policy which appears to us to meet the desirabilities as well as any, the benefit is one year's wages if death takes place within the first year of employment, with an added percentage if the employee should die during the second, third, fourth or subsequent year. In contracts of this kind, maximum as well as minimum benefits are prescribed, the minimum being one year's wages and the maximum perhaps two years' wages. But, of course, almost anything can be got by a buyer who is willing to pay, and if an employer desires to be still more open-handed he can, on terms, get the maximum raised to some higher figure.

We need not, perhaps, go more profoundly into this side of the subject, except to say that policies can be arranged either on the basis of wage earnings or on the basis of fixed sums of money as the benefits accruing to the representatives of deceased employees, and there are permutations and combinations based thereon.

The Method of Assessment.

It does not require a deep and wide experience of insurance problems to realise that it was no easy matter to apply a system of this kind in a simple way. An employer who feels himself impelled, for business or for more sentimental reasons, to make some such provision for his workpeople is manifestly deterred if he finds at the outset that he must employ a staff, or much of the time of his staff, in maintaining schedules of individuals, and of wages and things of that