

OFFICIAL ORGAN OF THE INSURANCE FEDERATION OF BRITISH COLUMBIA

Organization the Answer to Attacks on Insurance

Address of Secretary of National Council of Insurance Federation, Mr. Mark T. McKee, a Notable Event in Insurance Circles. First Luncheon of Insurance Federation of British Columbia.

One of the most important events in the history of British Columbia insurance occurred on Saturday, December 9th, when over 280 men engaged in the business of insurance or interested as buyers of insurance, met together for luncheon in the Hotel Vancouver. This meeting was the first gathering of the Insurance Federation of British Columbia, which was formed in June last for the purpose of educating the public as to just what real insurance is and for the fostering of all that is to the best interests of all kinds of insurance as well as for the protection of insurance against monopolistic and communistic schemes of state control.

The speaker of the occasion was Mr. Mark T. McKee, secretary of the National Council of Insurance Federation of the United States, who was invited to come to Vancouver by the British Columbia Federation. Mr. McKee fully lived up to the high reputation that preceded him as a leading and dynamic spirit in the organization of which he is secretary, and a speaker of telling force in presentation of statement and cogency of reasoning. He was listened to by all with rapt attention.

Mr. McKee opened with a review of insurance as it existed in the United States, paying particular attention to the governmental aspects and statutes as affecting the public. He reminded his hearers of the State fund of Washington, where, after three years of operation it was found to be short in its reserves by an amount of about \$500,000. He pointed out the condition in West Virginia, where a company seeking liquidation had to contribute \$25,000 to the state fund before it could be relieved of its liability. The state of Ohio had experimented further, and Wyoming had a sickness and accident fund whereby 40 per cent. was contributed by the employer, 40 per cent. by the employee, and 20 per cent. by the state. He narrated the communistic programme of a group of men in the State of North Dakota that originally went there soliciting subscriptions to a benevolent organization and meeting with such success that they seized the reins of the dominant party and launched on a programme of monopolistic legislation which if put into operation would have placed all business carried on within its jurisdiction in the hands of the state government.

After narrating several other instances of the ill-advised interference of government in private business, Mr. McKee pointed out the remedy that would be effective. He stated that the insurance business is legitimate or illegitimate. If illegitimate it should not be longer tolerated to exist. If legitimate it should be protected against monopolistic and communistic schemes of government control. Regulation was well advised, but here the state should cease. He held out the warning that if employers' liability were altogether monopolized by the state the next step would be fire, and then life, and that the monopolization would go on until businesses of all kinds would be brought under the operation of the state. It is high time to meet the issue, and although the insurance interests are meeting the brunt of the attack, other business interests will soon be made the subject of attack. The answer is organization and co-operation, having for its handmaid, education. Mr. McKee then narrated some of the work of his organization, the parent of all the state federations which are more intimately concerned with the various state problems. The National Council, the parent organi-

zation, throws the weight of its power and organization into the struggle to maintain the best interests of insurance in the local field. As an instance of the value of organization and the methods of the National Council, co-operation and education, the council never, or rarely, touches legislators as such, but goes through the country explaining the meaning of proposed legislation when inimical to the best interests of insurance and business and quickly gets the co-operation that is necessary. All inimical or class legislation is obtained through ignorance of the electorate or the stating of half-truths. The response to an enlightened presentation is immediate and secures the help by co-operation of all the business interests of the state or community. Organization, co-operation and education are powerful agents. Here Mr. McKee told a story of a negro boy who was an expert with a whip and who, after showing his prowess in picking off flowers without disturbing the stalks, was asked if he could pick off the hornet's nest in the apple tree. "Oh, no, sah," said he, "them hornets is organized."

Mr. McKee appealed with startling freshness for a better understanding between buyer and seller of insurance. He pointed out that governmental taxation has to be borne in the long run by the policyholder, that which affected the seller of insurance soon has a similar affect on the purchaser of insurance. Their problems were in large measure identical and they must work together and be better understood one of the other to promote the best interests of insurance.

Mr. McKee outlined what the Insurance Federations stand for, as the preservation of legitimate insurance of every kind; a better understanding between buyer and seller of insurance; government regulation, but not confiscation of insurance; constructive improvement of insurance laws; perpetuation of the principle of workmen's compensation; and stands against the insurance business being a legislative foot-ball; silently and meekly accepting all kinds of unwarranted political abuse of the insurance business; state monopoly of any class or kind of insurance.

He pointed out the similarity of the problem in the United States to that in Canada. Insurance in North America was carried on much after the same manner. An event in Canada is quickly reflected in the United States, and what happens in the United States has its counterpart in Canada. He made this intimate connection clear by several illustrations.

In extending greetings and congratulations to the Federation of British Columbia, Mr. McKee stated that British Columbia moved while Ontario deliberated, and thus the Pacific Coast Province becomes the first to initiate this movement. He hoped that the other Provinces would take similar action and all be bound together into a Dominion Federation. Plans were already prepared whereby the two national organizations could work together for mutual advantage and protection.

Mr. J. J. Banfield, president of the Insurance Federation of British Columbia, presided and introduced the speaker. Among those at the speaker's table were Mr. F. W. Rounsefell, vice-president of the Federation, Messrs. A. W. Ross, H. F. Roden, C. H. Macaulay, W. Wylie Johnston, and H. Cramer, all members of the executive committee. The Hon. M. A. Macdonald, Attorney-General, sat on the left of the chairman as the guest of the Federation. A vote of thanks was moved by Mr. G. S. Harrison, Vancouver manager of the Merchants Bank, and was seconded by the Hon. Mr. Macdonald. The motion was passed amid applause.