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force at that time of \$1,785,061,273 your companies had over one-third of the total business.

But not only are you interested in the volume of business but you are also interested in your Canadian assets which have grown with the growth of the business and which I am pleased to understand have formed remunerative investments. These assets in 1898 were \$23,563,824; in 1908, \$46,762,534; and in 1918, \$98,607,188. As insurance presidents you have a very real interest in Canada. One of the greatest aids to sound national status is that each and every citizen to the fullest extent possible should have a personal direct property interest in his country. Outside of a Canadian 5½% Victory Bond, which of course I place higher than any other security—a security of greater value not only to the citizens but to the country than any other—there is no way in which our average citizen can make his first investment easier than by investing twenty or thirty dollars in a thousand dollar policy. Life insurance indeed tends to stabilize financial and industrial conditions. It tends to, where adopted in large measure, prevent distress and suffering and constitutes a real protection to the worker and his dependents.

I feel that today we require the fullest extension, the fullest production, the greatest amount of useful work and the practice of economy and thrift everywhere. Life insurance agents are particularly at home in preaching thrift. They can do much to install into our people thrift—that essential requisite to national reconstruction. Personally I well recollect that the first money I ever saved was that rendered necessary by a twenty-pay life insurance policy. May your endeavors to make Canadian people money-savers be most successful.

Very intimately connected with the problem of reconstruction is the bettering of conditions of public health. This is a matter in which the insurance companies are particularly interested, and as I understand it many of you have already commenced an educational campaign amongst your policy holders. You are in a position, with your efficient organizations, to aid very largely in propaganda on better health conditions, of which both our countries are in need. Your efforts in this regard will be doubly pleasing to you, as while bettering and aiding the living conditions generally to the great national benefit you will also be securing a greater longevity in the lives insured, bettering your risks, and increasing the profits of the policyholders and of your shareholders.

There is much room for a great advance in insurance in Canada. Assuming a population of eight millions, the life insurance in force in Canada today is but approximately \$225 per capita. Canadians are under-insured and life insurance companies have a most useful public task ahead of them in bringing up the average protection for the families of the workers of Canada, but increased insurance like every other

good thing depends upon ability to pay premiums, depends upon prosperity. While Canada is prosperous, the question of the matter of exchange between our respective countries is something that I am sure you do not view with complacency. Your insurance premiums are paid in Canadian dollars and as a result of the trade balance existing between the countries the Canadian dollar is at the moment at a discount, and a serious discount when the value of the Canadian dollar, the prosperity and assets of the country are considered. The depreciation while very real is merely the effect of present trade balances and does not reflect in the slightest upon the intrinsic value of Canada's obligations. The depreciation of the Canadian premium in New York funds is simply owing to the fact that we do too much business with you and you do too little business with us.

I wonder if the extent of Canada's purchases in the United States are realized. In South America you have a whole continent, you have been doing business with that continent for many years, you have trade commissions and trade representatives and, I think, have covered that field with characteristic American energy. Your statistics show that your total trade with all South American countries amounted for the year 1918 to the sum of \$881,977,051, with a trade balance against your country of \$252,859,463. In the same year your business with Canada amounted to \$1,216,744,389 and resulted in a favorable trade balance of \$344,235,455 to your country. In 1919 the United States business with all South American countries was \$969,276,505, the balance of trade against you being \$167,473,303. On the other hand, for the same year with Canada your total trade amounted to \$1,282,677,849 and the balance of trade in your favor amounted to a sum no less than \$344,768,213. With such a balance against us and with the further fact that Canada is doing some business overseas, settlement of which is ordinarily made in New York in credit instead of for cash, the reason why your Canadian premiums only net you approximately 95 cents on the dollar in New York funds is very readily apparent. While our respective countries have always very largely traded one with the other the adverse balance of trade used not to tell so heavily upon Canada. In 1910 the adverse balance was \$106,888,088 and in 1915 it was \$110,289,650 and at these times of course Canada was selling overseas for cash.

That Canada is a very large purchaser in the United States and that the tendency to purchase is increasing is made very clear by the exhibit of the percentage of imports in comparison with Canada's total imports. During the fiscal year ending March 31, 1913, our imports from United States amounted to 65.03% of the whole, but during the fiscal year ending March 31, 1919, that percentage had grown to 81.50. On the other hand, the percentage of purchases made

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