

ACCIDENT POLICY REFORM.

One of the most important, if not the most important question affecting Casualty Insurance in Canada to-day is whether the Companies issuing Personal Accident policies will continue the present mad race to see which can give the most covering for the least premium, or whether they will at last be guided by their better judgment and loss ratio of recent years, and all agree to issue standard forms of policy, providing for indemnities commensurate with the prevailing premiums charged.

Up to comparatively recent years, all Companies issued practically the same form of Accident Policy, which provided \$5,000 Principal Sum, and \$25 weekly indemnity, with \$12.50 partial indemnity for a period of 52 weeks, at an annual premium of \$25 on the best class of risk, double indemnity applying in case of travel accidents.

Now, however, competition is such that no Company can secure anything like a fair share of available Accident business unless its policy contains Accumulation, Beneficiary, Hospital, Quarantine and many other so-called "frills" for which no extra premium is charged, notwithstanding the fact that they have a most important bearing on the loss ratio. The latest manifestation by certain Companies of the present apparent vogue of considering the sky the limit, in adding to their liability under Accident policies, without charging correspondingly extra premium, is the increase of the Principal Sum to \$7,500, and in some instances to \$10,000 at the premium heretofore charged for \$5,000.

GAMBLING PURE AND SIMPLE.

This means gambling pure and simple, and if the Casualty Companies themselves cannot repose sufficient confidence in one another to apply the obvious remedy to the present deplorable state of affairs, it would seem in order for the Insurance Department to step in and compel them to do so, by increasing the present rate of premium reserve to a percentage figure more in keeping with the liabilities now assumed. In the policyholders' interests alone this should be done, for reasons which would seem clear to the most uninitiated.

Another reform that is urgently required in Personal Accident underwriting in this country is a reduction in the scale of commissions now allowed on this class of insurance. This also apparently can only be brought about by united and uniform action of all the companies interested.

A movement is now on foot in Canada along the lines above suggested, and as all the Companies interested admit the wisdom of concerted action towards this end, it is to be hoped that they will one and all, without exception, display the courage of their convictions and bring this movement to a successful conclusion, by giving it energetic and loyal support.

In illustration of the present condition of affairs, the case may be mentioned of Mr. Law, the Member of Parliament for Yarmouth, N.S., who lost his life in the recent fire in the Parliament Buildings at Ottawa. Mr. Law carried a \$5,000 accident policy in a leading British company at the usual annual premium of \$25. The Company are now about to pay his beneficiaries the sum of \$14,500. The policy was accumulative and included double liability. The Company received no premiums for the extra \$9,500.

"DIVIDENDS"

The late President DeBoer of the National Life of Vermont (peace to the ashes and honour to the memory of a real man!) once made a remark to me which has ever remained in my mind. He said, smilingly, apropos of a policyholder who had just paid him a visit, "That man has asked me why we don't buy bonds when they are cheap and sell them when they advance and pay out the profit in dividends."

"What did you tell him?" I asked.

"I did not bother to say that it was conceivable we might buy high and sell low, making a loss, not a profit. In fact, I rather preferred he should remain under the delusion that we, here, are very smart people. I said, 'Mr.—, we are not in business to make money for our policyholders; we are trying to save money for them.'"

The record of his Company's investments shows how he squared practice with theory.

Does not this show (for the thousandth time, I hear the intelligent reader remark!) what a dismal misfit is the word "dividend," in connection with life insurance? Unfortunately, while all who may chance to read this article know very well just exactly what a dividend under a life policy is and what it is not, the average policyholder has not the least idea of its true meaning, the sources from which it is derived and from which alone it can properly and safely arise, and its consequent and inevitable limitations under conservative management. How unfortunate that there does not appear to be any word or expression that may fittingly take its place in insurance literature. "Refund" and "rebate" are meaningless to the ordinary purchaser of a policy. The phrase "premium-reduction" is clumsy and needs explanation. How would the word "savings" answer? J.L.K.

MANUFACTURERS LIFE INSURANCE COMPANY APPOINTS MONTREAL MANAGER.

Mr. Robert Junkin, agency manager of the Manufacturers Life Insurance Company, announces the appointment of Mr. N. T. Truell as manager of the Company at Montreal. Mr. Truell has been connected with the Sun Life for the past eleven years at Winnipeg and Regina, where he has had a most successful career.

Mr. Truell is well known in Montreal and the Province of Quebec, having been connected with the educational system of the province for a number of years as head master at Sherbrooke High School for five years and at Lachute Academy for eleven years. He has very many friends in Montreal among curlers and socially. The Manufacturers Life propose to develop a strong organization in Montreal and as the Company already numbers among its policyholders many of our leading citizens, it should not be a difficult matter to extend its business here. Any reference to the high financial standing of the Company and its popularity would be superfluous, ranking as it does among the leaders in Canadian life insurance.

A bill is at present before the Quebec legislature providing that no insurance agent who is not a resident of the province shall do business therein, unless resident in a province where agents residing in this province are allowed to do business on an equality with resident agents.