

legislation. In the majority of cases the most powerful and effective weapon to fight with is public opinion, and the policyholder must look to the agent for enlightenment on these questions, and the agent must, in turn, work through the policyholder, using the public sentiment thus aroused to defeat obnoxious legislation and bring about a reduction in the existing onerous and unjust taxation imposed on the policyholders of this country by the several States. This cannot be successfully accomplished by the officers of our companies unaided by the local influence of State constituents, and the agent thus acting as middle man between the officers of the company and the policyholder with whom he comes into personal touch can perform a much needed service, and especially with the co-operation of the officers of our companies or of their representatives in the Association of Life Insurance Presidents.

Along with this, and as a means to the end is keeping the fundamental purpose and underlying principles of life insurance clearly before the public, by dispelling the idea that life insurance companies are privately owned institutions, conducted with vast profits for the few, that the assets and even the surplus are unnecessary accretions of money held in distant money centers, and invested outside of the State from which the money comes, as well as the vague suspicion on the part of many that it is invested for the benefit of the officers or stockholders of the company.

Intelligence as to what life insurance really means; as to what a life insurance company really is; of its relationship to the life value; of its purpose in compensating loss by banding together persons from all sections in a common cause, and of promoting thrift, decreasing poverty with all that this usually means in its effect on disease, vice, illiteracy and even crime, disseminating the knowledge that investments of all life insurance companies are nation wide and not local, is a most important part of the work of the agent.

AN INSURANCE TEXT BOOK.

In this connection there is to be prepared during the coming year, under the editorial direction of a prominent life insurance educator and the supervision of the Executive Council, a standard text-book on life insurance, for use in the high schools, colleges, universities and other educational institutions of the United States and Canada, also for agency instruction. The book is to be of such scope and so written and compiled as to render it thoroughly adaptable to the various needs indicated. Its publication will be completed by September, 1914, in time for use in next year's semesters.

If our student classes were taught in the various institutions of learning throughout the country the functions of life insurance, its fundamental principles, benefits and necessities, there would develop unconsciously an increasing appreciation of the moral obligation on the part of young men to provide adequate protection for their dependent ones of their estates against the ultimate destruction of their life values, and at the same time banish forever the misunderstandings and ignorance which now prevail on the part of a vast majority of the public regarding life insurance. If life insurance were thus understood by student classes, its effect would soon be reflected through the medium of an increased volume of insurance written, reduced lapsation, fewer loans made against policies, a less number of foolish and vicious

laws introduced in the several States, and a material reduction in taxation, if not the entire elimination of taxes by the several States against life insurance, save for supervision only.

NECESSITY OF CONSERVATION.

The question of conservation is also one in which there is an ever increasing interdependence between agents and policyholders, and in which the agent can be of the greatest assistance to the companies and to the Association of Life Insurance Presidents in rendering more effective their efforts toward the reduction of preventable waste and loss affecting both policyholder and company. I refer especially to conservation in its relationship to the laws of health, the enormous waste from unnecessary lapsation and surrender of insurance, and the borrowing on policies, with all of its attendant evils.

Excellent work has already been done by many of our home offices and this magnificent organization which I am addressing to-day along these several lines, but I am convinced that much additional can be done by the agents throughout the country to aid in this most important line of activity, because of their personal touch and influence with the policyholders and insuring public.

The lapsation and surrender of insurance constitutes an appalling waste, much of which could be saved through the medium of systematic effort and education of the public, as previously outlined. The greatest contributing factor to this enormous loss and waste is undoubtedly the securing of loans on policies, which practice has increased so materially during recent years. The average loan, as we all know, is rarely liquidated by the insured prior to the maturity of the policy or its surrender, thereby resulting in decreased protection, increased cost and a constant menace to the life of the policy.

CANADIAN FIRE UNDERWRITERS ASSOCIATION.

The Semi-Annual Meeting of the C. F. U. A. was held in Toronto, on the 3rd and 4th instants. Mr. Harold Hampson, President of the Association was in the Chair. The following Montreal members were in attendance Messrs. H. M. Lambert (Guardian), J. B. Paterson, (Phoenix of London), J. E. E. Dickson (Law Union), James McGregor (Commercial Union), T. L. Morrissey (Union), M. C. Hinshaw (Atlas), J. H. Labelle (Royal), Arthur Barry (Royal Exchange), M. Ferrand (L'Union), J. Jenkins (Employers' Liability), J. W. Tatley (Phoenix of Hartford), P. M. Wickham (Yorkshire), W. Kennedy (London Assurance), John G. Borthwick (Caledonian), J. Gardner Thompson (Liverpool). A good deal of routine business was disposed of at the meeting.

\$110,000,000 C.P.R. LINE CHANGES HANDS.

Messrs. Marsh & McLennan of Chicago, and New York, have been awarded the \$110,000,000 line covering the Canadian Pacific Railway fire risks in Canada. The line had been held by Messrs. E. A. Whitehead & Company of Montreal for the past twenty years. We understand that the present change is altogether owing to a question of rate, but whether the policy of the C.P.R., in making the transfer is a wise one remains to be seen.