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## DEVELOPING ENDOWMENT INSURANCE.

In Canada, the times would appear not altogether unpropitious for the further development of the endowment section of the life insurance companies' business. Hitherto, the companies have had certain disadvantages to contend with in their endowment business. The moderate investment return, combined with absolute safety, which an endowment policy in a sound life company provides has had a rather drab and unattractive appearance in comparison with the enormous speculative returns which have within recent years been secured with ease. The size of those returns has gone a long way towards disguising their uncertainty, and it is only in the immediate present that a good many people are beginning to find out that large profits do not always materialise when they are expected, and that there are occasions when speculation, in whatever direction it may be made, leads to loss instead of gain. In recent years the life offices in Great Britain have, it would appear, benefited considerably in their endowment business by the long-continued and serious depreciation in high-grade securities. They have pointed out the advantages of a form of investment which even apart from its protective features, has the safety of the highest-grade securities, without their liability to depreciation, and the public has been quick to appreciate those advantages. Similarly, it seems that present circumstances might be turned to account by the Canadian companies. There are surely at the present time a good many people up and down the Dominion who are in a frame of mind that is likely to be amenable to the sober attractions of endowment insurance, when carefully placed before them, although a year or two ago they might have passed them by with scorn.

It says a good deal for the ability with which the life companies manage their business that endowment insurance has made such headway as up to the present it has made, in spite of the competition of real estate, watered stocks, and the numerous

other channels for the disposal of surplus funds. At the close of last year, the amount of insurance in force of the life companies transacting business in Canada under the license of the Dominion Government (excluding industrial business) was \$972,223,167 and of this amount \$219,251,751 or 22½ per cent. was endowment insurance. Of new policies issued last year (excluding industrial business) aggregating \$186,729,183, about one-sixth in amount were endowment policies. And a considerable proportion of the industrial business transacted in Canada is on the endowment plan.

While protection is and must always remain the primary reason for insurance, yet the field of endowment insurance is widening very rapidly. The class is large and will increase, who desire to add to the protective idea that of investment—a safe accumulation available at a future definite time for the benefit of the insured. The average man who is in possession of a fairly profitable business or the man who occupies a permanent salaried position has no difficulty in seeing that it is not only a fair investment but also a prudent measure, to take out an endowment policy which may easily be paid for with current savings from business or salary for a few years. The sum of \$10,000 or \$15,000 ready cash awaiting him at the end of a ten or fifteen or twenty year period furnishes an attractive prospect, and sometimes supplies a needed stimulus to prudent savings. Endowment insurance, too, is a practical way of "providing for a rainy day" by a large class of unmarried men who otherwise would likely enough spend the money carelessly and not know afterwards where it had gone. Moreover, endowment insurance is a valuable sheet-anchor for the business man, even for the successful business man. Big capitalists and merchants and manufacturers have their ups and downs like other folk; while the ordinary man in business in a moderate way often enough finds when he would like to think of retiring that his financial responsibilities for others will not permit him to do so, and that he has to go on slaving to the end. In all these circumstances endowment insurance has a fine part to play.