A SUGGESTION FOR CHECKING LAPSATION.

(*By J. L. Kenway.*)

After many years of experience in the business, and after careful consideration of the subject, the writer has been forced to the conclusion that the only effective method of curbing the excessive lapsing of life insurance is the standardization of commissions paid by the companies and the writing of contracts providing in all cases for renewal commissions, such renewals not to become effective unless the agent remains for a reasonable period in the Company's service.

The chief causes of lapses are threefold, namely: 1st., Rebating by the Agent; 2nd., the issuance of more insurance than the applicant is able to continue after the first year, and 3rd., the fact that so many agents do not remain with the Company more than a limited period of time, or do not receive renewal commissions, in both of which events they naturally lose interest in securing renewal of the business.

The companies have come together on a great many issues. Policy contracts are largely uniform. In fact, under the Laws of the various Provinces in Canada and States of the Union they must necessarily be so both in the benefits and restrictions contained in the policies and the values guaranteed thereunder. The Public are beginning more and more to realize that life insurance is a necessity. Men, however, will not insure their lives without solicitation and they appreciate that the agent is entitled to a fair compensation for work done. I believe it would be advantageous if the Insuring Public knew just what proportion of their premiums was paid to the Agent as compensation for his services, both in first year commissions and renewals, provided such amounts were reasonable.

The standardization of commissions would relieve the officials of the Company from a great deal of embarrassment and annoyance and would, to a very large extent, do away with the shifting of agents from one company to another merely for the sake of some supposed temporary advantage.

I am further of the opinion that the adoption of such a plan would ultimately result in the securing of a better grade of agents. We all realize that the improvement in the character of the agency forces of the companies has been very marked in the last twenty years and that most of the old-time agents who reflected discredit on our business have been eliminated. There is no reason, however, why this improvement should not be helped along in every possible manner.

The Hudson Bay Insurance Company has hit upon a novel method of making a contribution to the Canadian Patriotic Fund. From September until the war is over, it will pay monthly five per cent. of premiums received to the Fund.

"MADE IN CANADA."

The arguments of the manufacturers who are now proclaiming from the housetops the bounden duty of the Canadian public to buy nothing else but goods "made in Canada" would be more persuasive if the manufacturers themselves would assure us that they practice what they preach.

Any argument which the Canadian manufacturer uses in his new "made in Canada" campaign can be equally well used by the fire insurance companies, who are regularly licensed in Canada, pay Canadian taxes, and employ Canadian brains and labour, as an argument why the manufacturers should patronise them in preference to the foreign unlicensed companies who do an underground business here.

Will the manufacturers kindly say whether the risks they have hitherto carried in unlicensed concerns of this type, have been transferred as a matter of patriotic duty to the regularly licensed companies? If there is the duty which the manufacturers assure us there is, in the one case, there equally is in the other.

In order to provide employment as far as possible, the public generally is probably well-disposed towards a "made in Canada" campaign—an all-round "made in Canada" campaign, and not merely a one-sided one. But the plain man is not likely to be convinced that it is less patriotic to buy, say, a suit of clothes in London and pay the Canadian duty upon it than it is to carry a line of insurance in companies located in Bulgaria or Spain, which do not contribute a cent towards Canadian revenues.

DEATH OF MR. W. R. ARNOLD.

The death is announced from Vancouver of Mr. W. R. Arnold, managing director of the Dominion Trust Company. Mr. Arnold was accidentally killed under regrettable circumstances. He had returned from a hunting trip, and on Monday was putting away his gun when it went off. Mr. Arnold was shot in the breast and died instantly.

Through his association with the Dominion Trust Company, Mr. Arnold had become widely known in financial circles. In the course of a comparatively short period he had built up this undertaking from modest beginnings to an important position, with an extensive organisation both in Canada and in Europe, and his death removes prematurely a financier of energy and judgment.

Mr. Arnold's successor as managing director of the Dominion Trust Company is Mr. C. G. Pennock, a well known banker and lately general manager of the Bank of Vancouver.

Among recent donations and subscriptions acknowledged by the Insurance Clerks' Orphanage, is a contributions of £86 12s. 9d. from Mr. George C. Morant, formerly of the Commercial Union, being proceeds of the sale of his book "Odds and Ends of Foreign Travel."