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THE ROYAL COMMISSION ON INSURANCE.

The Royal Commissioners continued their investigations at Winnipeg on 24th inst.

We have to express regret that in the reports of the enquiry into the Great-West Life the Manager, Mr. Brock is described as a "star witness." The use of theatrical slang in a report of proceedings before a Royal Commission is reprehensible, it tends to lower the dignity of the Royal Commission and to give the evidence an element of flippancy and lack of business sedateness.

The three Commissioners were present at Winnipeg, with Mr. Tilley, in charge of the enquiry.

Mr. G. R. Gaery appears for Ontario, C. Lebeuf, K.C., for Quebec, and Deputy Attorney-General Patterson and A. E. Ham, provincial insurance inspector, for Manitoba. Mr. J. A. M. Aikins, K.C., appeared for the Great-West Life Co. Numerous persons attended and displayed considerable interest. Among those were Hon. Hugh John Macdonald, K.C., David Wilson, M.L.A., R. T. Riley, G. F. Galt, Alexander Macdonald, and Dr. Blakely.

Mr. Brock, manager of the Great West Life was questioned as to his business relationships prior to becoming connected with that company, and subsequently.

The relevance of much of this part of the enquiry is not apparent.

Mr. Brock said that his full rights in the firm of Carruthers & Brock continued for three or four years after the Great West was organized. The salary he received from the work with the Great West had been paid into the Carruthers & Brock firm. Mr. Brock said he had not entered the Great West with the expectation of improving his position. He had been drawn into the managership because it would have been against the interests of the company if he had refused.

The question of salaries was then gone into, and statement of them was presented. The evidence is reported as follows. The salary schedule showed

that in 1892 Mr. Brock received \$2,000 salary; for the next three years \$3,000 per year; for the next two years \$4,000 per year; for 1898, \$5,000 a year; for 1899 and 1900, \$6,000 a year; for 1901 and 1902, \$7,500; for 1903-4-5, \$10,000 a year, and 1906, \$12,000. Mr. Brock stated that he had this year been paid a bonus of \$10,000.

"Why?" asked Mr. Tilley.

"Because the directors must have believed I deserved it," said Mr. Brock.

"How long had the directors been thinking that way?" asked Mr. Tilley.

"I don't know." Mr. Brock also said that there had been no understanding with the directors when his salary was smaller as to remuneration for his loss in taking the managership. He had mentioned the matter of a bonus to one of the directors. He didn't think he had mentioned it to any other director.

Mr. Tilley asked if the \$12,000 salary could not be considered a pretty fair compensation for the low salary of other years. Mr. Brock explained that he would have been \$75,000 better off to-day if he had stayed with the Carruthers & Brock business.

Considerable surprise was occasioned by the testimony of Mr. Brock that, in addition to the very handsome salary of \$12,000 this year he had been granted a bonus of \$10,000.

Mr. Tilley's pointed question, "Why was this bonus given?" was felt to have elicited no such relevant answer as would have justified the directors in appropriating \$10,000 of policy-holder's money for enlarging the income of the manager whose salary of \$12,000 was already regarded as more than adequate.

At the afternoon Session the rates charged by the Great-West Life for \$5,000 policies and for larger amounts were investigated. Mr. Brock admitted that special rates were given for such policies, but claimed that such rates had been fixed